

1 November 2011

Mauro Piccini
Listed Companies Adviser
Australian Securities Exchange
Perth WA 6000

By email: mauro.piccini@asx.com.au

Dear Mauro

Cervantes Corporation Limited ("Cervantes" or "the Company") Appendix 3Y – Directors Interest Notice

We refer to your letter of 26 October 2011 in relation to the Appendix 3Y lodged with the ASX, by the Company, on the 25 October 2011, for Collin Vost, and the relevant listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interest and Transaction in Securities – Obligations of Listed Entities".

Cervantes provided the following information in response to your questions:

Question 1

The original transfer forms were dated 7 October 2011, however, Mr Collin Vost, the transferee in the first instance, did not possess a SRN and was awaiting confirmation of the SRN in order to complete this transaction and to proceed with the second transaction, where Mr Collin Vost was the transferor. We received confirmation of the SRN by email from the Share Registry on 19 October 2011. Also, please note that with these two transactions, there has not been any change in the Director's interest as these transfers are between entities directly or indirectly held by Mr Collin Vost.

Question 2

Cervantes has in place a procedure whereby any change in Directors interest and transactions in the Company's securities by the Directors are notified to the Chairman and Company Secretary immediately, to ensure that the Company is able to meet its disclosure obligations under listing rule 3.19A. Further, at each director's meeting, directors are reminded of their obligations to disclose when dealing in the Company's securities.

Question 3

The existing arrangements, as set out in paragraph 2, above, are considered to be adequate to ensure compliance with listing rule 3.19B. However, a new additional check has been introduced following this occurrence.

Yours sincerely



Patrick J O'Neill
Company Secretary

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26 October 2011

Mr Partick O'Neill
Company Secretary
Cervantes Corporation Limited
Shop 12 South Shore Plaza
85 The Esplanade
SOUTH PERTH WA 6151

By Email: pat@jacksongreeve.com.au

Dear Patrick

Cervantes Corporation Limited (the "Company") Appendix 3Y – Director's Interest Notice.

We refer to the following;

1. The Appendices 3Y lodged by the Company with ASX Limited ("ASX") on 26 October 2011 for Mr Collin Vost.
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 Appendices 3Y indicated that changes in the directors' relevant interests occurred on 7 October 2011, it appears that the Appendices 3Y should have been lodged with the ASX by 14 October 2011. As the Appendices 3Y were lodged on 26 October 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 Appendices 3Y 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 to mauro.piccini@asx.com.au or 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 (i.e. before 4.00pm W.S.T.) on **Tuesday 1 November 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,



Mauro Piccini
Adviser, Listings (Perth)