



13 September 2019

The Manager
Australian Stock Exchange
20 Bond Street
Sydney NSW 2000

By email ListingsComplianceSydney@asx.com.au

Dear Sir,

Appendix 3Y – Change of Director’s Interest Notice Query

I refer to your letter of 11 September 2019 regarding the Appendix 3Y’s lodged on 9 September 2019 for Mr Fred Bart, Lt-Gen Peter Francis Leahy AO, Mr Ian Dennis and Dr Ben Greene.

The Appendix 3Y’s were in relation to the lapsing of unlisted options on 31 January 2019 at an exercise price of \$3.00 per share. The Company made an announcement to the ASX on Monday 4 February 2019 regarding the lapsing of all the unlisted options which expired unexercised on 31 January 2019.

In response to your specific request for information we respond as follows:

1. The non-lodgement of the Notices by the due date were an oversight by me as Company Secretary;
2. EOS has had arrangements in place for all directors to notify the Company Secretary in writing of any purchases or sales of listed ordinary shares;
3. EOS has made changes to the current arrangements to ensure that the notification process is expanded to include all securities and not just ordinary listed shares. This change will capture any granting, exercise or lapsing of unlisted securities.

On behalf of the Company I apologise for the oversight and late notification and will ensure that it does not re-occur.

Yours faithfully



Ian Dennis
Company Secretary

Electro Optic Systems
Holdings Limited
ACN 092 708 364

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11 September 2019

Mr Ian Dennis
Company Secretary
Electro Optic Systems Holdings Limited
Level 12 75 Elizabeth Street
Sydney NSW 2000

By Email

Dear Mr Dennis

Electro Optic Systems Holdings Limited ('EOS'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. EOS's Appendix 3Ys lodged on the ASX Market Announcements Platform ('MAP') on 9 September 2019 for Mr Fred Bart, Lt-Gen Peter Francis Leahy AO, Mr Ian Dennis and Dr Ben Greene (the '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) 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 that:

'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 Notices indicates that a change in the notifiable interests of each of the directors occurred on 31 January 2019. It appears that the Notices should have been lodged with ASX by 7 February 2019. Consequently, EOS may have breached Listing Rules 3.19A and/or 3.19B. It also appears that the Directors may have breached section 205G of the *Corporations Act 2001* (Cth).

Please note that ASX is required to record details of breaches of the Listing Rules by listed entities for its reporting requirements.

ASX reminds EOS of its contract with ASX to comply with the Listing Rules. In the circumstances, EOS should make necessary arrangements to ensure it does not continue to breach the Listing Rules.

Request for Information

Under Listing Rule 18.7, we ask that you answer each of the following questions 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*.

1. Please explain why the Notices were lodged late.
2. What arrangements does EOS 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 EOS intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

Your response should be sent to me by e-mail at ListingsComplianceSydney@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, no later than half an hour before the start of trading (i.e. before 9:30 am AEST) on 16 September 2019.

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.

Enquiries

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

Yours sincerely

Isabella Wong
Adviser, Listings Compliance (Sydney)