



23 November 2009

Mr Matthew Foy
ASX Markets Supervision Pty Ltd
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Via Email: matthew.foy@asx.com.au

Dear Matthew

Re: Carbon Conscious Limited – Appendix 3Y: Change of Director’s Interest Notice

I refer to your letter dated 18 November 2009 received via email and respond as follows:

1. On Friday, 6 November 2009, Mr Michael Graham Shields, a non-executive director of Carbon Conscious Limited (“CCF”) acquired 65,000 on-market shares. Mr Shields then advised one of CCF’s staff on Monday, 9 November 2009 of the purchase but did not provide details of his share purchase, specifically the share price of the transaction (i.e. the share price is required in order to advise ASX of the value of his transaction in completing Appendix 3Y). At that time, Mr Shields was still waiting for a trade confirmation advice from his broker. Attempts to contact Mr Shields for the details in the days leading up to Friday, 13 November 2009 were futile as Mr Shields resides in one of the remote areas of Western Australia and was not contactable during that time. The trade confirmation advice was finally received on Friday, 13 November 2009 but due to an administrative oversight, the Appendix 3Y was not lodged till Monday, 16 November 2009 with the ASX.
2. To ensure CCF abides by Listing Rule 3.19A, CCF has entered into a Directors Disclosure Letter Agreement with Mr Shields upon his appointment as a non-executive director on 25 June 2009. The Agreement outlines Mr Shields’ obligations to disclose to CCF and to the ASX details of his interests in securities and in contracts relevant to securities initially upon his appointment and ongoing reporting obligations as a director.
3. To ensure that this event does not recur and that CCF continues to abide by Listing Rule 3.19B, all directors will be duly reminded at all board meetings of their ongoing obligations to advise CCF of any change in their share interests within 5 business days so that there is no delay in lodging Appendix 3Y to the ASX. Any re-offence will be subject to the board’s decision to take disciplinary steps, which may include issuing a warning letter to the offending director or ceasing the director’s appointment.

Yours sincerely

A handwritten signature in black ink that reads "Geraldine Holland".

Geraldine Holland
Company Secretary



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18 November 2009

Ms Geraldine Holland
Company Secretary
Carbon Conscious Limited
Level 1,1 Outridge Crescent
SUBIACO WA 6008

By e-mail: GHolland@carbonconscious.com.au

Dear Geraldine,

Carbon Conscious Limited (the "Company")
Appendix 3Y – Change of Director's Interest Notice.

We refer to the following:

The Appendix 3Y lodged by the Company with ASX Limited ("ASX") on 16 November 2009 for Michael Shields and

1. Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.2 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 3Y and give it to ASX no more than 5 business days after the change occurs.

2. 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.

3. 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 3Y indicates that a change in the director's notifiable interests occurred on 6 November 2009, it appears that the Appendix 3Y should have been lodged with ASX by 13 November 2009. 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", we ask that you answer each of the following questions .

1. Please explain why the Appendix 3Y 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 5:00pm W.S.T on Friday 20 November 2009.**

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 must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. Foy'.

Matthew Foy
Senior Adviser, Issuers (Perth)