



3 December 2009

Ms Kate Kidson
Principal Advisor, Issuers (Melbourne)
Australian Securities Exchange
Level 45, South Tower
525 Collins Street
MELBOURNE VIC 3000

By email only

Dear Kate

**TATTS GROUP LIMITED ("TATTS"): APPENDIX 3Y – CHANGE OF DIRECTORS
INTEREST NOTICE – MR BRIAN JAMIESON**

I refer to your letter dated 30 November, 2009.

By way of general background, Mr Jamieson was appointed as a Non-Executive Director of Tatts on 31 May, 2005.

On 19 December, 2008, Tatts announced that it had introduced a Dividend Reinvestment Plan (**DRP**). An offer to participate in the **DRP** occurred in respect of the interim dividend paid on 3 April, 2009 and the final dividend paid on 2 October, 2009.

As stated in the Appendix 3Y in respect of Mr Jamieson lodged by Tatts with ASX on 20 November, 2009, pursuant to the **DRP** 1,356 shares were issued to Macquarie Bank Wealth Management PPS: Pension Account on behalf of Mr Jamieson on 3 April, 2009 and 1,587 shares were issued to the same account on 2 October, 2009. Notification of those share issues should have been made by 14 April, 2009 and 12 October, 2009 respectively.

In response to the queries raised by you in your letter, I set out the following information:

1. Please explain why the Appendix 3Y was lodged late.

Late notification of each of the share issues occurred because Tatts was only advised of the details of the changes in Mr Jamieson's notifiable interest in Tatts shares on 19 November, 2009. As detailed in the Appendix 3Y, this was as of a consequence of Mr Jamieson only becoming aware of a change in his relevant interest in Tatts shares shortly prior to this date. Mr Jamieson had given no instructions for his Macquarie Bank Wealth Management PPS: Pension Account to participate in the Tatts **DRP**. However, a person responsible for managing that account made the election without instructions in error.

Please note that the participation of Mr Jamieson's pension account in the DRP is on the same terms and conditions as all other participants in the DRP; those terms and conditions were lodged with ASX on 19 December, 2008.

2. What arrangements does the Company have in place for its Directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?

The obligation for Directors to provide Tatts with the relevant information to enable Tatts to meet its disclosure obligations under Listing Rule 3.19A is contained in Articles 6(c)-(e) of the Constitution and again in the Non-executive Director Appointment Agreement (**Appointment Agreement**) which is entered into by each Non-executive Director at their time of appointment. The Constitution and Appointment Agreement provide that any information which must be notified by Tatts to ASX under Listing Rule 3.19A must be given to Tatts by a Director as soon as reasonably possible but in any event no later than 3 business days after the date a change in a notifiable interest of the Director occurs.

In addition, in relation to participation in the DRP, as Company Secretary, I emailed all of the Directors requesting them to advise me whether they were participating in the DRP in respect of the interim dividend and again subsequently, in respect of the final dividend, to confirm that they had not changed their position from the original advice previously provided to me.

On each of these occasions, Mr Jamieson responded that he had not elected to participate in the DRP, which is consistent with the fact that he had no knowledge that an election had been made in error on his behalf to do so. This is further supported by the fact that in preparation of the 2009 Annual Accounts each Director is asked to confirm their relevant interests in Tatts shares. Mr Jamieson confirmed his relevant interest was as reported to ASX prior to the lodgement of the recent Appendix 3Y.

Once Tatts received notification from Mr Jamieson of the details of the change in his notifiable interest, Tatts lodged an Appendix 3Y in respect of Mr Jamieson on the next day.

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?

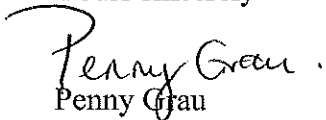
Tatts is of the view that the current arrangements it has with Directors are adequate and are being enforced. The circumstances of this situation are unique in that the failure to lodge the Appendix 3Y arose not as a consequence of non-compliance with Tatts' arrangements with Mr Jamieson but due to the error of a third party of which Mr Jamieson was not aware until recently.

Mr Jamieson has advised that he has spoken with the third party concerned and confirmed the arrangements he has in place to endeavour to ensure such an error does not occur again.

Notwithstanding that this non-compliance arose as a result of an error made by a third party and therefore was outside the control of Mr Jamieson and Tatts, we sincerely regret the failure to disclose Mr Jamieson's change in notifiable interest.

If you have any further queries, please contact me on (03) 8517 7538.

Yours sincerely



Penny Grau

**COMPANY SECRETARY &
GENERAL COUNSEL**