Cromwell
PROPERTY GROUP

13 May 2011

BY EMAIL

Frances Finucan
Senior Adviser, Listings (Brisbane)
Frances.finucan@asx.com.au

Dear Ms Finucan

RE: Appendices 3Y Change of Director's Interest Notices

We refer to your letter of 13 May 2011 in relation to the late lodgement of Appendices 3Y for the lapse of performance rights held by Paul Weightman and Daryl Wilson, executive directors of Cromwell Property Group.

Set out below are our answers to the questions raised in your letter:

Please explain why the Appendices 3Y were lodged late.

Due to a clerical oversight at Cromwell, an Appendix 3B was lodged following the lapse of the performance rights held by Paul Weightman and Daryl Wilson but Appendices 3Y were not. The error was detected during routine compliance monitoring. The performance rights had an exercise price of $1.21 and so were not expected to be, and were not, exercised despite relevant conditions being met.

What arrangements does the Group have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?

The Group has entered into an agreement with each director that requires that the director disclose all information necessary to allow it to comply with its disclosure obligations. Cromwell Property Group believes that all directors understand their obligations under those agreements and act in accordance with their obligations.

If the current arrangements are inadequate or not being enforced, what additional steps does the Group intend to take to ensure compliance with listing rule 3.19B?

Notwithstanding this lapse, Cromwell Property Group believes its compliance arrangements with regard listing rule 3.19B are adequate. However, the need for an Appendix 3Y to be lodged in these circumstances has been reinforced in the relevant registers and procedures.

Yours faithfully
CROMWELL CORPORATION LIMITED

N Riethmuller

NICOLE RIETHMULLER
COMPANY SECRETARY

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Ms Nicole Riethmuller
Company Secretary
Cromwell Group
Level 19
200 Mary Street
BRISBANE QLD 4001

By email: nicole.riethmuller@cromwell.com.au

Dear Ms Riethmuller

Cromwell Group (the "Group")
Appendices 3Y Change of Director's Interest Notices

I refer to the following:

1. The Appendices 3Y lodged by the Group with ASX on Thursday, 12 May 2011 for Paul Weightman and Daryl Wilson (the "Appendices 3Y").

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.

The Appendices 3Y indicate that the change in interests occurred on 7 April 2011. It appears that the Appendices 3Y should have been lodged with ASX by Thursday, 14 April 2011. Consequently, the Group 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 entities for its reporting requirements.

ASX reminds the Group of its contract with ASX to comply with the listing rules. In the circumstances, ASX considers that it is appropriate that the Group 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 Group 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 Group intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by email at frances.finucan@asx.com.au or by facsimile on facsimile number (07) 3832 4114. 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 half an hour before the start of trading (i.e. before 9.30am Brisbane time) on Tuesday, 17 May 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

[Sent electronically without signature]

Frances Finucan
Senior Adviser, Listings (Brisbane)