MOBILARM®

ALWAYS ON WATCH

15 January 2013

Elizabeth Harris
Principal Adviser, Listings Compliance (Perth)
ASX Compliance Pty Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth WA 6000.

Dear Elizabeth,

Reference is made to your letter of 15 January 2013.

Following the issue of the options to Sir Tim McClement an appendix 3(B) and an appendix 3(Y) were submitted by me for typing by my secretary. These were given back to me on the afternoon of Friday 21 December 2012, by which time I had already departed the office for the Christmas break.
The non lodgment of the documents was identified on my return from leave.

Accordingly, there is no acceptable reason why the 3(Y) was not lodged on time. It was a pure oversite on the last working day of the year.

I have now established a procedure with my secretary, who also lodges the ASX announcements, whereby she makes direct contact with me to advise me that ASX forms have been completed, and are ready for lodging. This means even if I am away from the office, I can approve the immediate lodgment. She has agreed to this process moving forward.

I apologise for any inconvenience caused.

Yours faithfully,

D McArthur

David McArthur
Company Secretary

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15 January 2013

Mr David McArthur
Company secretary
Mobilarm Limited
38 Guthrie Street
OSBORNE PARK WA 6017

Dear David

Mobilarm Limited ("Company")

We refer to the following:

1. The Company's announcement lodged with ASX Ltd ("ASX") on 11 January 2013 regarding a change of director's interest notice for Sir Tim McClement ("Appendix 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 an 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 an 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 an 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.

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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 Appendix 3Y indicates a change in Sir Tim McClement's notifiable interest occurred on 23 December 2012 so the Appendix 3Y should have been lodged with the ASX by 3 January 2013. As the Appendix 3Y was lodged on 11 January 2013 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 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 e-mail to Elizabeth.Harris@ASX.com.au or 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 **3:00PM WST** on **Thursday 17 January 2013**.

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

Elizabeth Harris
Principal Adviser, Listings Compliance (Perth)