



SP AusNet™
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Mr Darren Collins
Senior Adviser, Issuers and Accounting Policy
ASX Markets Supervision Pty Ltd
South Tower
525 Collins Street
MELBOURNE VIC 3000

BY EMAIL

28 May 2009

Dear Darren,

I refer to your letter dated 27 May 2009 and provide the following responses to the questions set out therein:

1. *Please explain why the Appendix was lodged late.*

SP AusNet was late in lodging the Appendix 3Y as Mr Ng was not notified by his broker of the allocation of additional shares in PT Bank Danamon Indonesia Tbk made on 22 Apr 09 until 19 May 2009. Mr Ng notified SP AusNet of this change in interests on Thursday 21 May 2009 at 6.20pm and SP AusNet lodged the Appendix 3Y at 9.37am on Monday 25 May 2009.

Mr Ng has suggested that the delay in notification from his broker may have been contributed to by the fact that PT Bank Danamon Indonesia Tbk is an Indonesian listed entity. Mr Ng acknowledges that it would have been prudent to follow up earlier with his broker and has undertaken to do so in relation to future dealings.

SP AusNet

SP Australia Networks (Distribution) Ltd
ABN 37 108 788 245

SP Australia Networks (Transmission) Ltd
ABN 48 116 124 362

SP Australia Networks (Finance) Trust
ARSN 116 783 914

SP Australia Networks (RE) Ltd
ABN 46 109 977 371 AFS Licence No. 294117

as responsible entity for
SP Australia Networks (Finance) Trust

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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?*

SP AusNet has the following arrangements in place in order to achieve compliance with Listing Rule 3.19A:

- SP AusNet has a written agreement in place with each Director, requiring him to notify SP AusNet of any changes in his relevant interest within three business days of the change;
- SP AusNet has in place Guidelines for Dealing in Securities which specify the circumstances under which dealings in SP AusNet securities are permitted during "trading windows" (subject always to restrictions relating to inside information) except under special circumstances and with prior approval;
- on a quarterly basis, an updated list of subsidiaries of Temasek Holdings (Private) Limited (SP AusNet's ultimate parent) is circulated to the Directors so that they can each confirm that there has been no change to their holdings since their last declaration; and
- any breach of disclosure requirements is highlighted to both the SP AusNet Compliance Committee and Board and discussed at the following meeting.

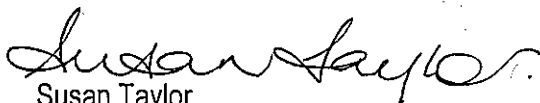
3. *If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?*

In addition, the following measures have or will be taken to ensure compliance with listing rule 3.19B:

- following receipt of your letter dated 27 May 2009, all Directors have been reminded (in writing) of their obligations and the recent breach that has occurred;
- Mr Ng has separately noted the contents of your letter and has provided the explanation set out in response to item 1 above; and
- at the commencement of each trading window, Directors will be reminded of their obligations pursuant to section 205G of the Corporations Act and SP AusNet's obligations under listing rules 3.19A and 3.19B.

We trust that the above steps demonstrate that SP AusNet has appropriate measures and plans in place to achieve compliance with Listing Rule 3.19A.

Yours sincerely,



Susan Taylor
General Counsel & Company Secretary

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27 May 2009

Ms Susan Taylor
Company Secretary
SP AusNet
Level 31
2 Southbank Blvd
SOUTHBANK VIC 3006

By email only

Dear Susan

SP AusNet (the "Company") Appendix 3Y – Change of Director's Interest Notice

We refer to the following;

1. The Appendix 3Y lodged by the Company with ASX on 25 May 2009 for Mr Ng Kee Choe.
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

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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 listing rules 3.19A and 3.19B.

As the Appendix 3Y indicates that a change in the director's relevant interests occurred on 22 April 2009, it appears that the Director's Notice should have been lodged with ASX by 29 April 2009. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act.

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:

5. Please explain why the Appendix 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 return e-mail or by facsimile on facsimile number (03) 9614 0303. 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 (ie before 9.30 a.m. A.E.S.T.) on Monday, 1 June 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 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]

Darren Collins

Senior Adviser, Issuers and Accounting Policy

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