

DIVERSIFIED UNITED INVESTMENT LIMITED

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24 July 2008

By email: Gonzalo.Valencia@asx.com.au

Mr Gonzalo Valencia
Senior Adviser, Issuers
Australian Securities Exchange
GPO Box 1784Q
Melbourne Vic 3001

Dear Gonzalo,

We refer to your letter of 23 July 2008 in relation to Appendix 3Y Change of Directors Interest Notices.

We respond to your questions as follows:

1. *Please explain why the Appendices were lodged late.*

The interests in the Company of Mr M K Myer and his related entities are held in the name of a custodian, other than his holding under the Company's Share Plan. The custodian holds a number of holdings in the Company so Mr Myer's holdings are not readily identifiable on the Company's share register. Due to an oversight by Mr Myer and his custodian, the Company was not advised within the required period of the purchases notified in the two Appendix 3Y forms lodged recently. The first change, a purchase of 1,445 shares by Mr M K Myer under the company's Share Purchase Plan, came to the attention of the Company in discussions with the share registrar. The Company then requested Mr Myer and his custodian to provide a full audit of his holdings and the Company was advised on 21 July 2008 of the second change, purchases of 80,000 shares by The Whereabouts Superannuation Fund. In both instances a form 3Y was lodged immediately the Company became aware of the change of interest.

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?*

The directors of the Company are aware of and understand their obligations under listing rule 3.19A and section 205G of the *Corporations Act*. The directors are aware of the time periods within which notifications of changes of interests are required to be made. Each director of the Company has executed the form of agreement concerning disclosure contained in Attachment 1 to Guidance Note 22.

The directors are required to notify the Company Secretary in writing of any change in any of their interests in the Company. The Company Secretary prepares the Appendix 3Y and releases it to the market within the requisite time period, and provides a copy to the director.

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?*

The Company and its auditors conduct an annual review of directors' shareholding interests. The Company regularly reminds directors of their obligation to disclose changes in shareholder interests.

The Company has now requested Mr Myer to put in place appropriate arrangements with his custodian to ensure all changes to his interests are notified by Mr Myer to the Company Secretary within the required time period.

Yours sincerely,

Sent electronically without signature

A J Hancock
Company Secretary