

19 September 2014

Attention: Ben Tippett
ASX Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Sent via email

Dear Ben,

BLACK STAR PETROLEUM LIMITED – APPENDIX 3Y

We refer to your letter dated 16 September 2014 regarding the late lodgement of the Appendix 3Y Directors Interest Notices and comment as follows:

1. The Appendix 3Ys were not lodged within the required period due to an administrative error.
2. For the change of director interests the Company has in place a checklist system that assists with the management and completion of all required documentation. Unfortunately due to an administrative error the Appendix 3Ys were completed but not lodged.
3. Whilst the Company believes that current procedures are sufficient to ensure timely notification it has nevertheless now implemented further procedures to give it the best chance to meet its disclosure obligations.

Yours faithfully

Jonathan Hart
Company Secretary
Black Star Petroleum Limited



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PERTH WA 6000

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PERTH WA 6840

Telephone 61 8 9224 0000
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16 September 2014

Jonathan Hart
Company Secretary
Black Star Petroleum Ltd
PO Box 540
SUBIACO WA 6904

By email: jhart@garrisoncapital.net

Dear Jonathan

Black Star Petroleum Ltd (the "Company")

We refer to the following:

1. The Company's announcements lodged with ASX Ltd ("ASX") on 12 September 2014 and 15 September 2014 regarding the change of director's interest notices for Mr Matthew Wood and Mr Brian McMaster ("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 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.

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.

As the Appendices 3Y indicate a change in Messrs Wood and McMaster notifiable interests occurred on 2 September 2014, the Appendices 3Y should have been lodged with the ASX by 9 September 2014. As the Appendices 3Y were lodged on 12 September 2014 and 15 September 2014 respectively, 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 Appendices 3Y were 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 Ben.Tippett@asx.com.au. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, not later than **3:00 pm WST on Friday 19 September 2014**.

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,

[sent electronically without signature]

Ben Tippett
Adviser, Listings Compliance (Perth)