

28 March 2017

Ms Hayley Pratt
Adviser - Listings (Perth)
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

Dear Ms Pratt,

We are in receipt of your letter dated 27 March 2017 and respond as follows:

1. The Appendix 3Y forms submitted on behalf of directors Chris Rowe, Laurence Roe and Stephen Mann on 23 March 2017 related to the expiry of listed options on 28 February 2017. The listed options were of the listed TEXO class.

The expiry date of the listed options was set out in multiple announcements and financial reports issued by the Company since May 2015 when the listed options were granted. Most recently the Company reminded the market of the pending expiry of the listed options on 6th and 7th February 2017. Therefore, the market was aware of the pending expiry of the listed options.

The delay in lodgement of the Appendix 3Y forms notifying of the Change in the Directors Interests in securities within the permitted 5-day period following the expiry of the listed options was an administrative oversight.

2. The Board of Directors have adopted a Securities Trading Policy which requires directors to notify the Company of any changes in their security holdings within 3 business days of such a change. A complete copy of the Company's Securities Trading Policy was lodged with ASX on 16 February 2013.

The Company has entered into Disclosure Agreements with all directors in accordance with Guidance Note 22.

3. The Company is of the view that the current arrangements are adequate. Extra vigilance will be taken around expiry dates to avoid inadvertent delays in future.

Yours sincerely



ROWAN CAREN
Company Secretary



27 March 2017

Mr Rowan Caren
Target Energy Limited
Level 2, Suite 5
6 Richardson Street
WEST PERTH WA 6005

By email: rowan.caren@targetenergy.com.au

Dear Mr Caren

Target Energy Limited (the “Company”)

We refer to the following:

The Company’s announcement lodged with ASX Ltd (“ASX”) on 23 March 2017 regarding change of director’s interest notices for Christopher Rowe, Laurence Roe and Stephen Mann (“Appendices 3Y”).

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) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. 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.

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.

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 indicates that a change in Christopher Rowe, Laurence Roe and Stephen Mann's notifiable interests occurred on 27 February 2017 the Appendices 3Y should have been lodged with the ASX by 6 March 2017. As the Appendices 3Y were lodged on 23 March 2017 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 Hayley.Pratt@asx.com.au. It should not be sent to ASX Market Announcements.

A response is requested as soon as possible and, in any event, not later than **3:00 pm WST on Wednesday, 29 March 2017**.



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]

Hayley Pratt
Adviser, Listings Compliance (Perth)