

14 July 2015

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000
Attention: Stephanie Yong

Charter Hall Limited
ACN 113 531 150
Charter Hall
Funds Management Limited
ABN 31 082 991 786
Level 20, No.1 Martin Place
Sydney NSW 2000
GPO Box 2704 Sydney NSW 2001
T +61 2 8651 9000
F +61 2 9221 4655
www.charterhall.com.au

Dear Stephanie

Subject: Charter Hall Group (ASX:CHC) – Appendix 3Y - Change of Director’s Interest

I refer to your letter of 9 July 2015, and the following documents:

- (a) Appendices 3Y for David Harrison and David Southon lodged on 8 July 2015 (**8 July Appendices**); and
- (b) Appendices 3Y for David Clarke, David Deverall and Philip Garling lodged on 9 July 2015 (**9 July Appendices**).

I advise that the 8 July Appendices relate to changes of notifiable interests for David Harrison and David Southon that occurred on 12 January 2015, as a result of the issue of performance rights and service rights that were approved by CHC securityholders at the Annual General Meeting on 12 November 2014. The 8 July Appendices were required to be lodged on or before 19 January 2015, however the lodgement of the 8 July Appendices were overlooked due to the relevant personnel being on annual leave at the relevant time.

The 9 July Appendices relate to changes of notifiable interests for David Clarke, David Deverall and Philip Garling as a result of those directors participating in the recent CHC Security Purchase Plan. The securities were issued on 18 June 2015, and therefore the applicable Appendices 3Y should have been lodged on or before 25 June 2015. These were not lodged as a result of the draft disclosures not being finalised and lodged within the required timeframe.

CHC has a Securities Trading Policy which requires directors to notify the Chairman of the CHC Board, and seek the Chairman’s prior approval of any trade in securities. Further, should the trade not be completed within five business days of the consent, the director is to re-seek consent to the proposed trade. A copy of the notification of intention to deal is also required to be provided to the Company Secretary. The Director is also required to provide written confirmation of the trade (including settlement of the trade) within 24 hours to both the Chairman and the Company Secretary, to ensure that the required disclosure is made pursuant to LR 3.19A.

The Securities Trading Policy also clearly notes that Charter Hall has an obligation under the ASX Listing Rules to provide notification of a trade in its securities within five business days of the trade, as required under LR 3.19A.

The Securities Trading Policy is made available to all Directors (and employees) via the Charter Hall website, and is distributed to all Directors as part of the Directors Initiation package provided



to Directors on commencement of their tenure. In addition, the requirement to notify the Company Secretary of a proposed trade is reinforced at the time the Chairman's consent to the proposed trade is provided.

Charter Hall takes its disclosure obligations seriously, and to ensure that these oversights do not re-occur, a reminder of the notification requirements pursuant to the policy will be forwarded to all directors and relevant personnel. A review of the internal process has also been undertaken in relation to preparation and finalisation of these disclosures, with further checks being added to the process and implemented to ensure that the relevant disclosures are made within the required time frames.

Please contact me should you require any further information.

Yours sincerely

A handwritten signature in black ink that reads "Tracey Jordan".

Tracey Jordan
Group General Counsel & Company Secretary



9 July 2015

Tracey Jordan
Group General Counsel & Company Secretary
Charter Hall Group
Level 11, 333 George Street
Sydney NSW 2000

By email

Dear Tracey,

CHARTER HALL GROUP (THE "GROUP")
Appendix 3Y – Change of Director's Interest Notice

We refer to the following:

1. The following announcements lodged by the Group with ASX Limited ("ASX"):
 - The Appendices 3Y for David Harrison and David Southon lodged on 8 July 2015 (the "8 July Appendices 3Y"); and
 - The Appendices 3Y for David Clarke, David Deverall and Philip Garling lodged on 9 July 2015 (the "9 July Appendices 3Y")

(together, the "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 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 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.

The 8 July Appendices 3Y indicate that change in the notifiable interests of Mr Harrison and Mr Southon occurred on 12 January 2015. It appears that the Appendices 3Y should have been lodged with ASX by 19 January 2015.

Furthermore, the 9 July Appendices 3Y indicate that change in the notifiable interests of Mr Clarke, Mr Deverall and Mr Garling occurred on 18 June 2015. It appears that the Appendices 3Y should have been lodged with ASX by 25 June 2015.

Consequently, the Group 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 Group of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Group 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 Group 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 Group intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by a return e-mail or by facsimile on facsimile number (02) 9241 7620. It should not be sent to the Market Announcements Office.

A response is requested as soon as possible and, in any event, **no later than close of business (Sydney time) on Tuesday, 14 July 2015.**

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]

Stephanie Yong
Senior Adviser, Listings Compliance (Sydney)