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13 May 2016

Ms Emma Badhni
Manager, Listings Compliance (Sydney)
ASX Compliance Pty Ltd
20 Bridge Street
Sydney NSW 2000

By email: emma.badhni@asx.com.au

Dear Ms Badhni

Thorn Group Limited: Appendix 3Y-Change of Director's Interest Notice

I refer to your letter dated 10 May 2016 and to my telephone message left on 11 May 2016.

Thorn Group Limited (Thorn) acknowledges that there was an increase in the shareholdings of two directors, Ms Joycelyn Morton and Mr James Marshall as a result of the participation in Thorn's Dividend Reinvestment Plan for the interim dividends paid on 21 January 2016.

The notice for Ms Morton was lodged on 5 May 2016 and for Mr Marshall on 11 May 2016.

The notices were lodged late as a result of the change of responsibilities within Thorn arising from two recent changes of Company Secretary. I was appointed Company Secretary and General Counsel on 7 December 2015.

There was a misunderstanding as to the Directors participation in the Dividend Reinvestment Plan and the action required in relation to the Appendix 3Y Notifications.

As soon as the error was identified the relevant forms were lodged with ASIC.

Arrangement are now in place to ensure that, in my capacity as Company Secretary, I am notified of all future Directors share allocations either via Dividend Reinvestment Plan or general acquisition so that Thorn can comply with its Listing Rule 3.19A.2 requirements going forward .

Thorn apologises for the error and I confirm that it will not be repeated.

I trust this explanation is satisfactory but will be happy to answer any further questions.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Peter Ryan', is written over the 'Yours Sincerely' text.

Peter Ryan
Company Secretary and General Counsel



10 May 2016

Mr Peter Ryan
General Counsel & Company Secretary
Thorn Group Limited
Level 1
62 Hume Highway
Chullora NSW 2190

By email: peter.ryan@thorn.com.au

Dear Mr Ryan

Thorn Group Limited (the “Entity”): Appendix 3Y – Change of Director’s Interest Notice

We refer to the following;

1. The Appendix 3Y lodged by the Entity with ASX on 5 May 2016 for Ms Joycelyn Morton (the “Notice”);
2. Listing rule 3.19A.2 which requires an entity to tell ASX the following:

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. 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 Notice indicates that a change in Ms Morton’s notifiable interest occurred on 21 January 2016. It appears that an Appendix 3Y should have been lodged with ASX by 29 January 2016. Consequently, the Entity may be in breach of listing rules 3.19A and/or 3.19B. It also appears the director 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 entities for its reporting requirements.



ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity 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*, under listing rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Notice was lodged late.
2. What arrangements does the Entity have in place under listing rule 3.19B 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 Entity intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail or by facsimile number (02) 9241 7620. 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 half an hour before the start of trading (i.e., before 9.30 a.m. AEST) on Friday, 13 May 2016.

Under listing rule 18.7A, a copy of this letter 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 about any of the above, please contact me immediately.

Yours sincerely

[sent electronically without signature]

Emma Badhni
Manager, Listings Compliance (Sydney)