

18 November 2016

**Company Announcements Office
Australian Securities Exchange**

Change of Director's Interests

Managing Director, Mr Robin Ormerod, has sold 10,525,000 shares, yielding \$842,000 to settle outstanding debts with Bendigo and Adelaide Bank of over \$600,000, and to retire other smaller debts. The sale was enforced by the bank, and relates to debts incurred under the failed Great Southern Plantations, a former agribusiness Managed Investment Scheme operation. In 2009, Bendigo Bank took over loans from Great Southern Limited, which was placed into administration in the same year. In 2011, over 2,000 of Great Southern's investors commenced civil action suing for damages, claiming they had been misled by the company. The class action settlement in 2015 determined that the bulk of the disputed debts owing to Bendigo and Adelaide Bank remained valid and enforceable.

Mr Ormerod does not plan or expect to sell any further shares in the short to medium term.

At the same time, the Company's other Directors, Mr David Johnstone and Mr Adam Gallagher, have acquired PEH shares from Mr Ormerod, demonstrating the Board's confidence in the trajectory and future prospects of the Company.

For further information, please contact:

Robin Ormerod
Managing Director, Pacific Environment Ltd
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Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	Pacific Environment Limited
ABN	42 122 919 948

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Robin Ormerod
Date of last notice	11 October 2016

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct and indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	<ol style="list-style-type: none"> co-beneficiary of Robin Ormerod Family Trust (registered holder: Robin Ormerod) co-beneficiary of Zeise Ormerod Superannuation Fund (registered holders: Robin Ormerod, K. Zeise). (RO is beneficially entitled to half of the Pacific Environment Limited shares held in the Fund).
Date of change	17/11/2016
No. of securities held prior to change	<p>67,208,589 shares</p> <p>((i) 40,467,535 held by R. Ormerod (both legally and beneficially);</p> <p>(ii) 26,741,054 held by Zeise Ormerod Superannuation Fund (registered holders: Robin Ormerod, K. Zeise) of which R. Ormerod is beneficially entitled to 13,370,527.</p> <p>2,000,000 unlisted options to subscribe for ordinary shares</p>
Class	Fully paid ordinary shares

Number acquired	Nil
Number disposed	10,525,000 shares sold by R. Ormerod
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	\$842,000
No. of securities held after change	56,683,589 shares ((i) 29,942,535 held by R. Ormerod (both legally and beneficially); (ii) 26,741,054 held by Zeise Ormerod Superannuation Fund (registered holders: Robin Ormerod, K. Zeise) of which R. Ormerod is beneficially entitled to 13,370,527. 2,000,000 unlisted options to subscribe for ordinary shares
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Off-market trade of 4,375,000 shares On-market trade of 6,150,000 shares

Part 2 – Change of director’s interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

Detail of contract	—
Nature of interest	
Name of registered holder (if issued securities)	
Date of change	
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	
Interest after change	

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	n/a
If prior written clearance was provided, on what date was this provided?	n/a

+ See chapter 19 for defined terms.