

ASX Announcement

27th February 2018

Change of Leadership

Adslot Ltd (Adslot) today announced the departure of Mr Ian Lowe as Chief Executive Officer (CEO). Mr Lowe has held the position of Adslot CEO for more than five years, prior to which he was CEO of Facilitate Digital Holdings Ltd (acquired by Adslot in 2013) for nine years.

Mr Ben Dixon, current Executive Director and Co-Founder of Facilitate Digital Holdings Ltd, has been appointed as Adslot's interim CEO, and current Non-Executive Chairman and Founder of Adslot, Mr Andrew Barlow, has been appointed Executive Chairman.

In order to assist with various strategic projects and to ensure an orderly transition, Mr Lowe will remain employed by Adslot in an advisory role until the end of June 2018. Mr Lowe has also resigned as a director of Adslot (and certain subsidiaries) effective today.

Mr Lowe's separation package is set out in Appendix A to this announcement.

Adslot's Executive Chairman, Mr Andrew Barlow said:

"Ian has driven substantial growth and change within Adslot since his appointment as CEO in 2012, and has provided a solid foundation for the future. In particular, Ian was instrumental in driving and overseeing Adslot's 2013 merger with Facilitate Digital. Ian was also instrumental in securing the Company's largest commercial contract in August 2016, to deploy the Symphony workflow solution throughout GroupM agencies in Europe and APAC. The Board thanks Ian for his significant contribution and wishes him well in his future endeavours."

Mr Ian Lowe said:

"It has been my privilege to lead Adslot over the last five and a half years. As the Company embarks on its next phase of growth, I believe it will benefit from a change in leadership. Ben Dixon is an exceptional individual who brings vision and commercial insight based on an intimate understanding of the business and the media industry in which it operates. I believe the Company is very well positioned to navigate the future. I look forward to working closely with the Board, Ben and the rest of the Executive team over the coming months to manage an orderly transition and to execute a strategy I strongly believe in."

Interim CEO, Mr Ben Dixon said:

"I'm honoured to be stepping into the interim CEO role at such an important and exciting time for Adslot. Delivering on the updated strategy announced separately by the Board earlier today will be my priority. We remain focused on maintaining and growing the Company's existing Symphony subscription licence business, while pursuing the largest and most immediate Trading Fee opportunities in the US market, all with a reduced and more sustainable cost base."

Mr Ben Dixon joined Adslot in December 2013 as an Executive Director on the implementation of the merger between Adslot and Facilitate Digital Holdings Limited. Ben has almost 25 years of experience in the media sector, having held roles at international advertising agency groups and technology companies. Ben was a co-founder of Facilitate Digital and a key architect of the company's Symphony platform.

Adslot has entered into a new employment agreement with Mr Dixon to reflect his appointment as interim CEO of Adslot. A summary of the key terms of Mr Dixon's new agreement is set out in Appendix B to this announcement.

Adslot has also entered into an agreement with Mr Barlow in relation to his appointment as Executive Chairman of Adslot. A summary of the key terms of Mr Barlow's agreement is set out in Appendix C to this announcement.

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For further enquiries, please contact:

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Appendix A – Summary of Mr Lowe's separation package

- Up to and including 27 August 2018, Mr Lowe will remain employed by Adslot.
- Up to and including 27 August 2018, Mr Lowe will be entitled to receive his remuneration and other benefits (including annual leave) in accordance with his executive employment contract.
- Up to and including 30 June 2018, Mr Lowe agrees to perform certain advisory and transitional related services.
- Between 1 July 2018 and 27 August 2018, Mr Lowe will not be required to attend for work or perform the agreed advisory and transitional related services. Nevertheless, he must remain available to answer any questions from the Board and/or any incoming CEO or acting CEO to complete an orderly transition.
- Mr Lowe is not entitled to any pro rata short term incentive payment for the financial year ending 30 June 2018.
- Mr Lowe is entitled to receive a bonus if a strategic project that the Company is currently pursuing is completed on or before 27 September 2018. (This project remains a preliminary and incomplete proposal and, accordingly, is not a currently disclosable matter.) Mr Lowe's advisory and transitional related services include supporting the successful completion of this strategic project. The amount of Mr Lowe's potential bonus is determined by a formula but if triggered, will be at least \$80,000. It is not expected to exceed \$160,000.
- All of Mr Lowe's share rights automatically lapse on 27 August 2018.
- Mr Lowe is entitled to retain the 2,000,000 options issued to him with shareholder approval following Adslot's 2017 Annual General Meeting: the Board has agreed to exercise its discretion to waive the vesting condition that Mr Lowe remain an eligible employee. The exercise price of these options remains unchanged at \$0.073 per option.
- If the strategic project referred to above is completed on or before 27 September 2018, the Board has further agreed to exercise its discretion to bring forward the currently applicable vesting date of the options (November 2019) to a date that is aligned with the successful completion of the strategic project.

Appendix B – summary of key terms of Ben Dixon's employment agreement as interim CEO

Mr Dixon has entered into a new employment agreement with a wholly owned subsidiary within the Adslot Group, superseding his previous executive employment agreement. Mr Dixon's base salary has not changed, but his short-term incentives have increased, as have his termination provisions. Key terms of this new agreement are as follows:

Commencement Date	27 February 2018
Position	Interim CEO
Remuneration	\$206,000 per annum plus employer super contributions (reviewed annually), plus the ability to earn an annual short term incentive as outlined below.
Short term incentive	<p>Mr Dixon is eligible to earn an annual short term incentive (STI) of \$100,000 as per the following criteria:</p> <ul style="list-style-type: none">• 10% of STI payable per quarter (40% per annum) for maintaining XGap (or similar process) across management team and achieving mutually agreed personal XGap KPIs for that quarter.• 5% of STI payable per quarter (20% per annum) for achieving board approved quarterly revenue targets for the group.• 40% of STI payable annually for achieving board approved annual revenue targets for the group. <p>Quarterly targets to commence as of March quarter, 2018.</p>
Termination provisions	<p>Mr Dixon may end his employment at any time by providing 16 weeks' notice.</p> <p>The employing entity within the Adslot Group may also terminate Mr Dixon's employment by providing 16 weeks' notice. In all cases, the employing entity may elect to make a payment in lieu of this notice period.</p> <p>The employing entity may terminate Mr Dixon's employment with immediate effect for cause (for example, wilful misconduct, serious negligence, breach of duty or agreement, conviction for indictable offence).</p>
Other terms	<p>The agreement contains a non-compete/restraint clause as well as general provisions relating to hours of work, compliance with company policies, reimbursement of company expenses, leave entitlements (including 4 weeks annual leave, 10 days personal/carer's leave, long-service leave), public holidays, disclosure of information, intellectual property and other provisions that are customary for an agreement of this nature.</p>

Appendix C – summary of key terms of Andrew Barlow's engagement as Executive Chairman

- Base fee as a director of Adslot remains \$100,000 per annum (inclusive of statutory superannuation).
- This base fee requires a maximum of 32 hours per month on Adslot related work (Base Hours).
- Hours worked in excess of Base Hours will be under a consultancy arrangement and invoiced to Adslot at \$250 per hour (plus GST if applicable).
- Up to 40 extra hours in excess of the Base Hours will be at the discretion of Mr Barlow.
- Work in excess of 40 hours per month must have the pre-approval of the Interim CEO or the Chair of the Remuneration Committee.
- Timesheets are to be provided to Adslot for all contract hours when invoicing the company for hours greater than the Base Hours each month. Timesheets are not required when claiming only the base fee of \$100,000 per annum.