

ASX - For immediate release

16 April 2019

**PRO-PAC PACKAGING LIMITED
APPOINTMENT OF NEW CHIEF EXECUTIVE OFFICER**

Pro-Pac Packaging Limited (ASX:PPG) today announced that Mr Tim Welsh has been appointed Chief Executive Officer and will be joining the Company on 15 July 2019, or such other date as may be agreed. A summary of his key terms of employment are attached.

Tim is a dynamic and results driven leader who joins the Company from PPG Industries, a NYSE listed global manufacturer, where for the past 4 years, he has held the role of Australia and New Zealand Vice President and General Manager, Architectural Coatings. In this role Tim led the ANZ management team, and a business with revenues of \$550 million and 1,200 employees.

Tim's career with PPG Industries has spanned a period of over 10 years and included roles as Manufacturing and Supply Chain Director, and Operations Manager. He has also held Operational management roles at Aperio Group, Detmold Packaging and Arnott's Snackfoods.

The Chairman of Pro-Pac Packaging Limited, Mr Jonathan Ling, said: "We are delighted to secure the services of Tim to assist us through our next period of growth. We believe his strong operational and manufacturing experience in the flexibles and packaging segments, personal qualities and dynamic and engaging leadership style make him an ideal candidate to lead the Company going forward, and we look forward to working with him.

On behalf of the Board I would like to thank CFO Rick Rostolis for acting as interim CEO whilst the Board undertook a comprehensive search for a new CEO."

Mr Welsh said: "I am excited to be joining Pro-Pac at this stage in its journey, and to be leading a new and enthusiastic management team, focussed on delivering value for stakeholders. I look forward to working with Jonathan and the Pro-Pac Board"

Tim Welsh has a Bachelor of Manufacturing Technology from La Trobe University, is a graduate of the Australian Institute of Company Directors and completed an Advanced Management Program at Insead.

For more information contact:

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Group General Counsel & Company Secretary
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About PPG:

PPG is a diversified manufacturing and distribution business providing innovative industrial & flexible and rigid packaging solutions for a broad group of blue-chip clients and small-to-medium enterprises. PPG has corporate offices in Sydney and Melbourne, overseeing an international footprint including Australia, New Zealand and Canada. PPG's securities are listed and quoted on the ASX. For further information on PPG visit www.ppqaust.com.au.

SUMMARY OF KEY TERMS OF EMPLOYMENT CONTRACT

Commencement Date:	15 July 2019, or such other date as may be agreed
Term:	Ongoing term, subject to termination by either party
Remuneration:	<p>(a) Guaranteed Remuneration- \$530,000 per annum plus superannuation, currently totalling \$550,531.40 per annum</p> <p>(b) Short Term Incentive-</p> <p>\$500,000 per annum, the payment of which is subject to satisfaction of Key Performance Indicators as set by the Company, based on financial and non-financial performance of the Company.</p> <p>If employment is terminated by the Company on notice, payment of the STI Bonus may be made on a pro-rata basis if the Key Performance Indicators have been met. No payment is made if employment is terminated for cause.</p> <p>(c) Long Term Incentive-</p> <p>A value of \$500,000 per annum granted in performance share rights, or such other share based benefits as the Company may determine. The value will be based on a weighted average price over the preceding 30 days.</p> <p>Vesting of the performance share rights will be over a 3 year measurement period, and subject to satisfaction of performance hurdles, as set by the Company (including a Total Shareholder Return measurement) and is otherwise subject to the terms and conditions of the Company's Performance Rights Plan.</p> <p>Performance Rights are forfeited if employment is terminated prior to their vesting except in certain special circumstances, such as death, disablement, retirement and redundancy, as defined in the rules of the plan.</p>
Termination:	Mr Welsh may terminate the employment contract on 3 months' notice. Pro-Pac may terminate the employment contract on 3 months' notice or payment in lieu of notice. Mr Welsh's employment may also be terminated by Pro-Pac in circumstances of misconduct, and inter alia, serious or repeated breach.
Restrictive Covenant	Mr Welsh will be restrained for up to 6 months after termination of his employment from being in competition with Pro-Pac, and for up to 12 months after termination of his employment from soliciting Pro-Pac customers to cease or reduce their business with Pro-Pac and employees to leave their employment with Pro-Pac .