

ASX ANNOUNCEMENT

Appointment of CEO and Managing Director

Melbourne, 8 February 2018: Simonds Group (Simonds) (ASX: SIO)

Simonds Group Limited (ASX:SIO) is pleased to announce the appointment of Mr Kelvin Ryan as CEO and Managing Director, effective 5 March 2018. Mr Ryan's appointment comes after an extensive executive search. A summary of the key terms of Mr Ryan's appointment is attached.

Mr Ryan possesses extensive experience in the volume home building industry as CEO of BGC Residential from 2009 until 2017 and has a strong awareness of the issues facing the industry through his role as Vice President of the Housing Industry Association (Perth) from 2011 until 2014. He also has significant experience as a senior executive in the mining and manufacturing industries both in Australia and internationally.

Simonds Group Chair Iain Kirkwood said "The Board is delighted with the appointment of Kelvin. He has a very strong track record in the building industry. His knowledge of volume home building and his experience as a senior executive in complex and challenging environments will provide the company with a solid platform for strong, profitable growth and expansion."

On accepting the role as CEO and Managing Director, Mr Ryan said "I am excited to take up this opportunity at Simonds and look forward to working with all stakeholders and building strong, profitable growth."

"The Board takes this opportunity to thank Rhett Simonds for stepping into the Interim CEO role during the executive search" added Mr Kirkwood. "Rhett will return to his role at the Simonds Family Office and remain a Non-executive Director of Simonds Group."

ENDS

For more information, please contact:

Iain Kirkwood
Chair
0408 473 496

Appendix:

CV of Kelvin Ryan

Key senior executive roles:

BGC Australia: October 2009 – October 2017
Chief Executive Officer, BGC Residential

Downer EDI Mining: September 2006 – October 2009
Executive General Manager - Western Region and Company Director

Aditya Birla Group - Canada: July 2005 – August 2006
Project Executive

BGC Australia: February 2003 – July 2005
Executive General Manager, BGC Residential

Boral Midland Brick: September 1998 – February 2003
General Manager, Engineering Maintenance and Human Resources

Material terms of employment:

The material terms of the Executive Services Agreement between Kelvin Ryan and Simonds Group Limited (the Company) for the role of Chief Executive Officer and Managing Director (the Agreement) are as follows:

Commencement date	5 March 2018
Term	No fixed term. Ongoing until terminated by either party in accordance with the Agreement.
Total Fixed Annual Remuneration (FAR)	\$600,000
Short term incentive (STI)	Maximum opportunity of \$600,000 per annum, subject to performance, pro rata for the period from the Commencement Date to 30 Jun 2018.
Long term incentive (LTI)	LTI eligibility up to the value of \$600,000 per annum commencing with an FY19 allocation will be offered pursuant to Simonds Group Employee Share Plan. To recognise the time served between the Commencement Date and 30 June 2018, the first allocation of LTI will be increased to \$800,000. LTI participation and terms in future years are at the discretion of the Board.
Notice period / termination entitlements	6 months by either party Employment may be ended immediately in certain circumstances including misconduct, incapacity, mutual agreement or in the event of a fundamental change in the CEO's role or responsibilities. The Company may elect to make payment in lieu of any unserved notice period.
Post-employment restraint	A 6 month restraint provision applies