

09 July 2014

**Companies Announcements office  
Australian Securities Exchange**

**CEO appointment – Summary of Key Terms**

**Appointment**

The appointment is to the key position of Chief Executive Officer of Moreton Resources Ltd. Jason Elks is also a current member of the Board of Directors of Moreton Resources Ltd.

**Term**

Mr Elks will commence in the permanent position on 01 July 2014 and subject to termination by either party (see below).

**Remuneration**

- **Total Fixed Remuneration:** Mr Elks will be paid a fixed cash remuneration in the form of a Total Fixed Remuneration (TFR) package (inclusive of superannuation) subject to annual review. His TFR will initially be \$323,025.
- **Short Term Incentive:** Mr Elks will be entitled to a maximum potential short-term incentive of 15% of his TFR. Payout of any performance bonus is at the discretion of the Board and meeting performance targets and priorities set by the Board in consultation with Mr Elks.
- **Mid Term Incentive:** Mr Elks will be entitled to participate in the Moreton Resources executive option based mid-term incentive scheme at 15% of TFR, in accordance with the rules of the scheme and any applicable Moreton Resources Ltd Policy.
- Subject to Shareholder approval at the next AGM, options in Moreton Resources Ltd will be issued to Mr Elks. The options terms are as follows:
  - 19,381,500 x 0.6 cent options with an exercise period between 1 July 2014 to 31 December 2014 (subject to the achievement of share price and performance based hurdles, and a .2 cent exercise price) expiring 31 December 2014.
  - 19,381,500 x 1 cent options with an exercise period of between 1 July 2015 to 31 December 2015 (subject to the achievement of share price and performance target hurdles, and .2 cent exercise price) expiring 31 December 2015.

**Termination**

The employment agreement may be terminated as described below:

- Resignation by Mr Elks with three months' notice.
- Termination by Moreton Resources Ltd with three months' notice. In addition to accrued legal entitlements (such as accrued salary and annual leave up to termination), a severance payment of all accrued short and mid-term incentive payments.

For and on behalf of the Board



**Arthur Hood**  
Chairman of the Board  
Moreton Resources Limited