



## ASX Announcement

9 December 2016

# *Management Change*

The Board of Magnetite Mines Limited (ASX:MGT) (**Company**) is very pleased to announce that Mr Peter Schubert, currently a non-executive Director of the Company, has today been appointed an Executive Director responsible for the Company's investor relations and capital development.

The Company Chairman, Mr Gordon Toll said "Mr Schubert has been working shoulder to shoulder with the executive team since his appointment to the Board and has greatly contributed to the management of the share register and investor relations. I am indeed pleased that the board has agreed to formalise his appointment as an executive director. Peter brings enormous energy levels to the team along with his intimate, "in-the-trenches" knowledge of equity capital markets and investor relations".

A written agreement between Mr Schubert and the Company in relation to his appointment as an Executive Director is being finalised, however, the material terms have been agreed and in accordance with ASX Listing Rules 3.16.4 are set out below:

### **Effective date and term**

Mr Schubert's appointment as an executive director will take effect from today, 9 December 2016, on a permanent ongoing basis until terminated.

### **Base Salary**

\$100,000 gross per annum (exclusive of superannuation) effective from 1 January 2017.

### **Management Incentives**

Subject to obtaining all necessary shareholder approvals at the next general meeting held by the Company, the Company has agreed to grant to Mr Schubert or his nominee(s), 10,000,000 unquoted options (**Options**), for no consideration. The Options, each to acquire one fully paid ordinary share issued in the capital of the Company, will have no vesting

conditions, will be exercisable at 5 cents each and will have an expiry date that is five years after the date of issue. The Options will not be assignable or transferable, and if Mr Schubert ceases to be an employee of the Company (where employee means a full-time or part-time employee of the Company or a director of the Company), all Options will automatically lapse and all rights of Mr Schubert in respect of those Options will be forfeited.

In addition to the Options referred to above, the Company may periodically grant additional options to Mr Schubert concurrently with the grant of options to other Executives or Directors of the Company. Any such grant shall be commensurate with Mr Schubert's role, performance and level of responsibility, and on the terms and conditions, as determined by the Board in its sole and absolute discretion.

### **Termination Provisions**

The Company may terminate (other than for cause) the Mr Schubert's employment by providing Mr Schubert with one months' notice in writing. Mr Schubert may terminate his employment by providing the Company with one months' notice in writing.

The Company may also terminate (for cause) Mr Schubert's employment without any period of notice if Mr Schubert engages in any serious or wilful misconduct or other specified serious breaches.

Upon termination, Mr Schubert will be entitled to payment of accrued and untaken annual leave. Any entitlement to options held by Mr Schubert upon his termination will be determined in accordance with the terms of issue of the options.

For further information contact:

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