

ASX Company Announcement | Issue Date: 13 October 2017

CONFIRMATION OF CEO APPOINTMENT AND REMUNERATION

Newzulu Limited (ASX: NWZ) (**Newzulu**) is pleased to advise that it has appointed Mr Marc Milgrom to the position of CEO on a permanent basis and agreed a revised remuneration structure.

On 21 April 2016, the Company announced the appointment of Mr Milgrom as interim CEO and released the terms of his interim appointment on 15 June 2016. The interim remuneration package included an increase in base salary from C\$200,000 to C\$250,000 during the initial period to 1 December 2016. As part of Mr Milgrom's interim remuneration package he received 12,000,000 options with an exercise price of \$0.02, expiring on 15 June 2019 (**Options**) and vesting as follows:

- + 4,000,000 Options vested on the date of grant (**Tranche 1 Options**);
- + 4,000,000 Options will vest upon the Board confirming Mr Milgrom's appointment to the position of CEO on a permanent basis (**Tranche 2 Options**); and
- + 4,000,000 Options will vest 6 months after the appointment of Mr Milgrom to the position of CEO on a permanent basis (**Tranche 3 Options**).

Mr Milgrom also received 3,246,753 share units (\$50,000 worth of share units) created pursuant to the Employee Share Trust and vesting as follows:

- + \$25,000 worth of Share Units which vested on 22 June 2017 (12 months from the date of issue); and
- + \$25,000 worth of Share Units will vest on 22 June 2018 (24 months from the date of issue).

During the past 12 months since his appointment as interim CEO, Mr Milgrom has made a considerable contribution to the Company in completing capital raisings of \$5.84 million to drive growth of the business and curbing the cash burn of the business.

Given this, the Board has confirmed the appointment of Mr Milgrom as CEO of Newzulu and negotiated a revised remuneration structure which, in accordance with the terms of the amendment dated 15 June 2016 (**Amendment**), will be effective from 1 December 2016 (**Commencement Date**).

Newzulu's Chairman, Charles Koonen said "The directors of Newzulu are pleased to confirm Marc as the Company's CEO on a permanent basis. Marc's leadership and results orientation have placed the

Company in a position for significant and sustainable growth. He's the right executive to lead this business forward".

In accordance with ASX Listing Rule 3.16.4 the Company advises that pursuant to a further amendment dated 13 October 2017, Mr Milgrom's revised remuneration structure is as follows:

- (i) Base salary of C\$325,000 per annum, plus compulsory insurance contributions.
- (ii) Annual at risk incentive of C\$85,000 subject to the achievement of key performance indicators set by the Company.
- (iii) Subject to the Company obtaining all necessary shareholder and regulatory approvals that may be required and such other terms and conditions required by the ASX, Mr Milgrom will be issued with a total of 60,000,000 performance rights (**Performance Rights**), which shall have the following milestones and will be able to be converted into fully paid ordinary shares (**Shares**) by Mr Milgrom subject to satisfaction of the following:
 - (a) 20,000,000 Class A Performance Rights: Mr Milgrom remaining an employee until the first anniversary of the Commencement Date;
 - (b) 20,000,000 Class B Performance Rights: Mr Milgrom remaining an employee until the second anniversary of the Commencement Date;
 - (c) 20,000,000 Class C Performance Rights: Mr Milgrom remaining an employee until the third anniversary of the Commencement Date.

Upon satisfaction of the milestones, the Class A to C Performance Right may be converted into Shares by Mr Milgrom upon payment of the exercise price of A\$0.001 per Performance Right.

- (iv) Subject to shareholder approval at the 2017 Annual General Meeting and any regulatory approvals that may be required and such other terms and conditions required by the ASX, Mr Milgrom will be issued with a total of 160,000,000 Performance Rights, which shall have the following milestones and will be able to be converted into Shares by Mr Milgrom subject to satisfaction of the following:
 - (a) 40,000,000 Class D Performance Rights: Newzulu achieving a market price of its Shares of \$0.003 for a period of ten (10) trading days in aggregate on or prior to the date that is five (5) years from 1 June 2017;
 - (b) 40,000,000 Class E Performance Rights: Newzulu achieving a market price of its Shares of \$0.005 for a period of ten (10) trading days in aggregate on or prior to the date that is five (5) years from 1 June 2017;
 - (c) 40,000,000 Class F Performance Rights: Newzulu achieving a market price of its Shares of \$0.007 for a period of ten (10) trading days in aggregate on or prior to the date that is five (5) years from 1 June 2017; and
 - (d) 40,000,000 Class G Performance Rights: Newzulu achieving a market price of its Shares of \$0.009 for a period of ten (10) trading days in aggregate on or prior to the date that is five (5) years from 1 June 2017.

Payment of a nominal exercise price may be required for conversion of the Class D to G Performance Rights to Shares. Such amount will be agreed between the Company and the Holder acting reasonably.

Upon the occurrence of a change of control event:

- (i) any unvested Performance Rights will vest in the same proportion that the Share price has increased between the beginning of financial year 2018 and the date of the Change of Control; and
- (ii) any unvested Performance Rights will lapse.

The terms of Mr Milgrom's employment are otherwise materially unchanged and were announced to ASX on 15 June 2016.

The Company will proceed to issue a total of 60,000,000 Class A to C Performance Rights to Mr Milgrom and will seek shareholder approval at the 2017 AGM for the issue of 160,000,000 Class D to G Performance Rights.

- ENDS -

For further information please contact:

Charles Koones
Non-Executive Chairman
E: charlie@newzulu.com

Karen Logan
Company Secretary
E: karen@newzulu.com

About Newzulu

Newzulu is a crowd-sourced technology and media company which facilitates the use of professional and user-generated content for broadcasters, publishers and brands to create a deeper engagement with their audiences. Newzulu's Platform is a web-based and mobile software that enables businesses to gather, organize, publish and amplify user-generated content at scale. Newzulu's Creative division provides crowd-sourced, creative film and video production for the digital age. Newzulu's Content division allows anybody, anywhere, with a mobile device and a story, to share news, get published and get paid. Headquartered in New York, Newzulu also operates in Toronto, London, Paris and Sydney. Newzulu operates in partnership with Associated Press (AP), Getty Images, Tribune Content Agency and Alamy in the United States, Agence France-Presse (AFP) in France, Press Association (PA) and Videoplugger in the UK & Ireland, Belga News Agency in Belgium, Canadian Press (CP) in Canada, Australian Associated Press (AAP) in Australia and other news agencies around the world.

Further information can be found on www.newzulu.com.