

ASX RELEASE

7 August 2015

STREAM GROUP LIMITED (ASX:SGO):

Appointment of new CEO and Board changes

The Board is pleased to announce that Gavin Dixon will be joining Stream Group Limited ("Stream") as Chief Executive Officer. Gavin brings to Stream a strong operational and financial background in the insurance industry, having had an extensive international career spanning senior executive appointments in New Zealand, Asia and Europe.

Most recently, Gavin was Chief Operating Officer (COO) at Sovereign Limited, New Zealand's largest life insurer, with responsibility for operations, IT and marketing. Previous to this, he worked as COO for Woori Aviva in South Korea, as Finance Director for Aviva in Asia and within Aviva's global M&A department. Gavin is a Chartered Accountant having qualified with EY London and has a Natural Sciences degree from the University of Cambridge.

Don McKenzie will remain a Director of Stream and will assist with the handover of his executive responsibilities to Gavin.

Following the appointment of Lawrence Case as Director on 9 June 2015, Lawrence will effective immediately assume the position of Chairman, while Christian Bernecker will remain a Director of Stream.

Tony Nicklin will retire from the Board effective immediately due to health reasons. Tony has made a valuable contribution to the Board and in particular the success of the Christchurch operation and will remain a Director of Stream Group NZ.

- ENDS -

For further information please contact

Don McKenzie

Director

T: +61 412 667 471

E: don.mckenzie@streamgroup.com.au

Larry Case

Chairman

T: +61 422 432 441

E: larrycase@nightingale.com.au

Appendix 1 – Key contractual terms of CEO appointment

Term of contract

Mr Dixon's employment with Stream will commence on 31st August 2015 and is open ended. A notice period of 12 weeks applies for either party to terminate the position following the completion of a 6 month probationary period.

Fixed remuneration

Mr Dixon's total fixed remuneration is \$288,000 including superannuation.

Incentives

Mr Dixon is entitled to participate in the Company's short term incentive scheme, with effect from commencement. Mr Dixon will be paid 5% of EBIT over and above the minimum EBIT set as a key performance indicator by the Board on an annual basis.

Mr Dixon will participate in a long term incentive (LTI) via the Company ESP (Employee Share Plan). The Company has invited Mr Dixon to purchase a total of 5,000,000 fully paid ordinary shares in Stream Group Limited (Company) at an issue price of \$0.10 per share and otherwise on the terms and conditions set out below and in the ESP Rules. The Company is prepared to finance the purchase of the shares, again on the terms and conditions set out below.

Subject to the Plan Rules, the loan is repayable in full within 60 Months after the date on which the loan is provided being 31 August 2015.

Mr Dixon will be entitled to receive dividends on the Plan Shares or Corporate Actions, but they will be applied to repay the loan net of tax.

The shares will vest subject to the following hurdles and periods. Vesting date is 30 September, first vesting occurs on 30 September 2016 and annually thereafter. Subject to Mr Dixon being employed by the Company, or any Associated Company at the Vesting Date, Plan Shares shall vest at the Vesting Date in the number and subject to the achievement of the corresponding Performance Hurdle set out below:

Vesting Date (after issue of Plan Shares)	# of Plan Shares Vesting	Performance Hurdle
30/9/2016	20%	Stream Group Limited FY2016 EBIT > \$2,000,000 as at 30 June 2016
30/9/2017	20%	Stream Group Limited FY2017 EBIT > \$2,500,000 AND >20% increase on the previous year's actual EBIT
30/9/2018	20%	Stream Group Limited FY2018 EBIT >\$3,000,000 AND >20% increase on the previous year's actual EBIT
30/9/2019	20%	Stream Group Limited FY2019 EBIT >\$4,000,000 AND > 15% increase on the previous year's actual EBIT
30/9/2020	20%	Stream Group Limited FY2020 EBIT >\$5,000,000 AND > 15% increase on the previous year's actual EBIT