

Appointment of CEO

Melbourne, Australia, 4 July 2016: The Board of Directors of ApplyDirect Limited (ASX: AD1) ('AD1' or 'Company') are delighted to announce the appointment of Lorcan Barden as the Company's new Chief Executive Officer.

Prior to ApplyDirect, Lorcan was CEO of efm Logistics Services Group, Australia's largest independent fourth party logistics company. Driven by the objective of sustainable growth, he guided that business through a significant transformation programme that reset its market position, made technology a core competency, and expanded the target customer from transactional to enterprise.

Before that, Lorcan served in global professional services for more than 15 years, at both PwC and Accenture. Whilst at PwC, he was a Managing Director in its Corporate Finance division, where he led a range of divestments, acquisitions, capital raisings and private equity transactions. At Accenture, Lorcan delivered management consultancy services to blue-chip companies undertaking major IT transformation programmes in both Europe and North America.

This appointment will allow our founder Bryan Petereit, to focus on the development of new markets and our technology infrastructure.

Mr Petereit said, "I am absolutely delighted to have recruited our preferred candidate for the role of CEO. Lorcan has exceptional capabilities in strategy and execution, and is just the right person to take the Company to the next level of its development."

ApplyDirect Chairman, Michael Kay, said, "I cannot imagine our Company being in better hands. I fully endorse Bryan's comments. My fellow Directors and I are very excited to have secured an executive of Lorcan's calibre, and we look forward now with even greater anticipation to the Company successfully realising its full potential."

Lorcan said, "I am passionate about leveraging technology platforms to greatly enhance customer experience, whilst also eliminating costly inefficiencies. ApplyDirect offers exactly this, and is now poised and ready to scale. I'm thrilled to have this unique opportunity to combine my experience in leading high-growth services businesses with my passion for technology-led innovation."

Lorcan will take up his new position from 12 September 2016 (Commencement Date).

The key terms of Mr Barden's employment are as follows:

Remuneration

Fixed Remuneration

- Mr Barden will receive an annual total fixed remuneration of \$350,000 (plus his statutory entitlement to superannuation)

Long-Term Incentive (LTI)

- The Board has offered Mr Barden an LTI of a total of 11,000,000 options over unissued shares. The vesting date of these options is the later of 3 years from the date of issue and 1 September 2019. The options are subject to hurdle share prices (outlined below) and continuing employment. The options are divided into 3 equal tranches with the exercise price for each tranche as follows. No short term incentive (STI) has been offered to Mr Barden.

Tranche 1: The higher of \$0.55 and 1.7 times the ApplyDirect share price as at the day immediately preceding the Commencement Date.

Tranche 2: The higher of \$0.85 and 1.7 times the ApplyDirect share price as at the day immediately preceding the Commencement Date.

Tranche 3: The higher of \$1.20 and 1.7 times the ApplyDirect share price as at the day immediately preceding the Commencement Date

The share price hurdle for each tranche is the exercise price for that tranche. By way of example, if the share price reaches \$1.00 during the vesting period and Mr Barden remains employed throughout the vesting period, then (assuming the exercise price for each tranche is \$0.55, \$0.85 and \$1.20 respectively) the tranche 1 and tranche 2 options will vest on the vesting date and the tranche 3 options will lapse.

The expiry date of the options is the later of 4 years from the date of issue and 1 September 2020.

Termination

Either party may terminate Mr Barden's employment at any time on 6 months' notice (or ApplyDirect may make payment to Mr Barden in lieu of notice). Mr Barden's employment may also be terminated immediately without notice for defined causes (eg, serious misconduct).

Restraint

Mr Barden will be subject to a post-employment restraint for 6 months preventing him from being employed by a competitor during that time.

For and on behalf of the board

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the left.**Phillip Hains****Company Secretary**