

ASX Announcement

CHIEF EXECUTIVE OFFICER'S SERVICE AGREEMENT

SYDNEY 2 June 2016 -Allegra Orthopaedics Limited (Allegra) (ASX: AMT), advises that it has entered into an executive service agreement with Jenny Swain as Chief Executive Officer.

The material terms of the agreement which took effect from 2 May 2016 include provision for a base salary at the rate of \$230,000 per annum (plus superannuation). The base salary is subject to annual review as at 30 June each year with the first review being on 30 June 2017.

An annual performance bonus may be payable upon the achievement of relevant KPIs. For the 12 month period to 30 June 2017 the bonus amounts to a maximum \$60,000.

The payment of bonuses to executives of the Company in the form of long term incentives related to long term performance is under review and Jenny will be potentially eligible to the extent that they become payable.

Either party may terminate the agreement on the giving of 3 months' notice.

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