

ASX RELEASE**12 August 2013****Senior Management Restructure**

Donaco International Limited (the **Company**) is pleased to announce that it has created a new senior management structure.

The Managing Director, Mr Joey Lim, will formally take on the additional role and title of Group Chief Executive Officer. His responsibilities will continue to include charting the course of growth strategies for the Company, and overall leadership of the Company's operations.

The Chief Financial Officer, Mr Richard Na, will take on the additional role and title of Deputy Group Chief Executive Officer. In this role Mr Na will continue to be in charge of finance matters across the Group, as well as mergers and acquisitions, and operational responsibilities for the Company's businesses in Vietnam and across Asia.

The Company Secretary, Mr Ben Reichel, will take on the additional role and title of Executive Director. His responsibilities will include the roles of Group General Counsel and Head of Investor Relations, and operational leadership of the Company's businesses in Australia and New Zealand.

The CEO of Donaco Singapore, Mr Kenny Goh, will take on the additional role and title of Deputy Group Chief Financial Officer. In this role Mr Goh will continue to have high level involvement in finance matters, mergers and acquisitions, and operational responsibilities for the Company's businesses across Asia.

Commenting on the appointments, the Chairman of the Company, Mr Stuart McGregor, said "This new management structure reflects the continued growth of the Company, particularly at our flagship gaming business in Vietnam. We are seeing substantial growth in demand at the Lao Cai International Hotel, and our primary focus will continue to be on successfully completing the construction of our new five star resort hotel, in order to meet this demand.

"At the same time, we are assessing multiple growth opportunities in the gaming space across Asia. We need to ensure that skilled financial and legal expertise is brought to bear to ensure the proper evaluation and successful execution of those opportunities, for the benefit of all shareholders."

The Managing Director and CEO, Mr Joey Lim, stated "I am very pleased that Mr Richard Na, Mr Ben Reichel, and Mr Kenny Goh have agreed to take on these new executive roles for the Company. They are all first class executives, with substantial expertise in gaming and entertainment, together with the financial and legal skills required to ensure the success of the Company. This new senior management structure will more accurately reflect the Company's aspirations on a global basis."

Remuneration Arrangements

In setting remuneration levels for the executives, the Board of the Company consulted a long-standing and well respected independent remuneration consultant, with expertise in advising Australian listed companies. The consultant conducted a market scan of ASX listed companies with comparable financial attributes to the Company, including market capitalisation and operating profit.

Having considered the report, the Board has decided to set the remuneration at levels which are substantially below the market levels established by the consultant.

Each of the executives will receive fixed annual remuneration. Mr Lim will receive US\$396,000 per year; Mr Na will receive US\$264,000 per year; and Mr Reichel will receive \$200,000 per year (plus statutory superannuation where applicable).

In addition, each of the executives will have the opportunity to earn a short term incentive (STI) of up to 50% of their fixed annual remuneration, provided that appropriate KPIs are met. Subject to shareholder approval, half of the STI will be paid in cash, and the other half will be paid in the form of fully paid ordinary shares in the Company. The shares will be subject to trading restrictions preventing them from being sold for a period of twelve months from the date of grant.

In addition, each of the executives will receive a long term incentive (LTI), in the form of annual grants of options. Mr Lim will be issued options valued at \$204,000 per year; Mr Na will be issued options valued at \$136,000 per year; and Mr Reichel will be issued options valued at \$102,000 per year. The proposed LTI scheme and the terms of the options will be put forward for shareholder approval at the Company's 2013 Annual General Meeting.

For further information:

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ABOUT DONACO INTERNATIONAL LIMITED (ASX: DNA)

Donaco International Limited operates leisure, entertainment and associated technology businesses across the Asia Pacific region.

Our flagship business is the Lao Cai International Hotel, a successful boutique casino in northern Vietnam. The Lao Cai International Hotel was established in 2002, and is located on the border with Yunnan Province, China. Donaco operates the business and owns a 75% interest, in a joint venture with the Government of Vietnam.

The Lao Cai International Hotel is the first fully licensed table gaming business in Vietnam. The property is currently being expanded from a 3-star 34 room hotel, to a brand new resort complex with 428 hotel rooms.

Donaco also owns and operates successful online and mobile technology businesses, including secure mobile banking and payment gateways across South East Asia. We also own and operate the Way2Bet wagering portal, whose customers include all major corporate bookmakers in Australia.

To learn more about Donaco visit www.donacointernational.com

