

ASX Announcement

CEO and Director remuneration arrangements

6 November 2019 – CCP Technologies Limited (“the Company”) advises the following remuneration arrangements:

Chief Executive Officer

Mr Adam Gallagher was appointed Chief Executive Officer of the Company on 9 February 2019. Mr Gallagher has not received any payments in relation to the role, nor has he entered into any formal arrangements with the Company further to a general understanding that he would be compensated on an equity only basis as announced at the time of his appointment.

The board (with Mr Gallagher abstaining) has resolved to enter into a service contract for the amount of \$15,000 per month. The contract is ongoing with no fixed term and may be amended by mutual agreement at any time. A six-month notice period applies.

As a service provider, Mr Gallagher will be not be entitled to the usual PAYG entitlements including annual leave, sick leave or long service and other customary entitlements for PAYG employees.

The effective date of commencement is 9 February 2019 in recognition that Mr Gallagher has performed the role of CEO since that date.

All fees owing from the commencement date to 30 September 2019 will be paid in scrip subject to shareholder approval at the next general meeting of the Company following the 2019 Annual General Meeting. Payments are to be made in cash effective from 1 October 2019 onwards.

Mr Gallagher will not receive any additional fees for his officeholder roles or board committee memberships of the Company or its subsidiaries.

Any GST applicable will be paid in cash.

Non-executive Director remuneration

In recognition of the heavy workload of Non-Executive Directors, effective from 1 November 2019, the board has resolved that the Non-Executive Directors of the Company will receive a base fee of \$60,000 per annum (increased from \$40,000), and the Chairman will receive a base fee of \$70,000 per annum (increased from \$50,000). Directors that Chair a board committee will receive an additional \$10,000 per annum (increased from nil). No additional fees will be paid for other committee members.

The Directors will seek shareholder approval for an increase in the non-executive Director fee pool at the next general meeting of the Company following the 2019 Annual General Meeting to position the Company to accommodate future additional non-executive director appointments.

Payment of amounts outstanding in scrip

Subject to shareholder approval, each of the current Directors and their related parties have agreed to accept payment of their outstanding amounts owed, net of GST, in scrip on the same terms as the entitlement offer announced 18 October 2019. That is, subject to shareholder

approval, the Directors wish to invest the amounts owed to them alongside other participants in the entitlement offer.

The amounts applicable to each Director are in the order of:

- Mr Adam Gallagher \$155,000 (inclusive of prior amounts owed separate to the CEO fees outlined above).
- Mr Leath Nicholson \$90,000 (inclusive of amounts owed for Chairman fees, legal services and office rent).
- Mr Anoosh Manzoori \$29,000 (outstanding Director fees).

It is proposed that the amounts payable to the directors, and their associated entities shall be settled in scrip pricing on the same basis of the current entitlement offer, that being the issue of new shares at a price of \$0.007 with a free attaching option exercisable at \$0.015 expiring 3 years from the date of issue, subject to shareholder approval.

All amounts are net of the GST and any GST component may be paid cash or shares at the discretion of each of the Director's related parties subject to shareholder approval as required.

If the relevant resolutions are not passed then the securities described above will not be issued and the Directors will be entitled to payment of their outstanding amounts in cash.

The exact amounts and full details will be provided in the Notice of Meeting of the next general meeting of the Company following the 2019 Annual General Meeting.