

2 July 2020

**ASX RELEASE
AVJENNINGS LIMITED
(ASX:AVJ)
CHANGE OF DIRECTOR'S INTEREST NOTICE**

Early in the COVID-19 crisis, the Board and management of the Company began discussions on arrangements which needed to be put in place to conserve cash and to put the Company in the best possible position to respond to the crisis. As a result, senior executives and Directors agreed to modified remuneration arrangements.

In relation to FY20, this will see a reduction in total employment costs for the Chief Executive Officer of approximately 42% on an equivalent cash cost basis referable to that year (compared to FY19), and overall for all senior executives an average reduction of approximately 30% on the same basis.

In addition, Non-executive Director fees and SC Global fees will be reduced by 20% from 1 May to 31 July 2020.

As part of those arrangements, senior executives agreed to cancellation of both service rights due to vest in 2020 and to cancellation of performance rights due to be tested for vesting in 2020.

The service and performance rights in relation to the CEO Mr Peter Summers were cancelled on 29 June 2020 and the attached Appendix 3Y reflects this change.

As a result of the changed environment brought about by the COVID-19 crisis and the increased and appropriate focus on good governance, the Company is currently reviewing its remuneration arrangements to reflect current conditions and better accord with community expectations, whilst continuing to be structured to attract and retain the best talent available and fairly reward the Company's staff and executives.

...ENDS

This announcement was authorised for release to the market by Mr Carl Thompson, Company Secretary of AVJennings Limited.

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Rule 3.19A.2

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

| | |
|-----------------------|---------------------------|
| Name of entity | AVJennings Limited |
| ABN | 44 004 327 771 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|---------------|
| Name of Director | Peter Summers |
| Date of last notice | 4 June 2020 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|--|---|
| Direct or indirect interest | <ol style="list-style-type: none">1. Indirect interest 4,084,856 Ordinary shares2. Direct interest 875,095 Ordinary shares3. Indirect interest 565,348 Service Rights4. Indirect interest 1,403,943 Performance Rights |
| Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest. | Indirect interest in shares held by Pacific Custodians Pty Limited as trustee of the AVJennings Deferred Employee Share Plan and in Service and Performance Rights |
| Date of change | 29 June 2020 |
| No. of securities held prior to change | <ol style="list-style-type: none">1. Indirect interest 4,084,856 Ordinary shares2. Direct interest 875,095 Ordinary shares3. Indirect interest 565,348 Service Rights4. Indirect interest 1,403,943 Performance Rights |
| Class | Ordinary Shares, Service Rights and Performance Rights |
| Number acquired | <ol style="list-style-type: none">1. Nil2. Nil3. Nil4. Nil |

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

| | |
|---|--|
| Number disposed | <ol style="list-style-type: none"> 1. Nil 2. Nil 3. 268,505 Service Rights 4. 403,993 Performance Rights |
| Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation | <ol style="list-style-type: none"> 1. Nil 2. Nil 3. Nil 4. Nil |
| No. of securities held after change | <ol style="list-style-type: none"> 1. Indirect interest 4,084,856 Ordinary shares 2. Direct interest 875,095 Ordinary shares 3. Indirect interest 296,843 Service Rights 4. Indirect interest 999,950 Performance Rights |
| Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back | <ol style="list-style-type: none"> 1. Nil 2. Nil 3. Cancellation of Service Rights 4. Cancellation of Performance Rights |

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

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|--|-----|
| Detail of contract | N/A |
| Nature of interest | N/A |
| Name of registered holder (if issued securities) | N/A |
| Date of change | N/A |
| No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed | N/A |
| Interest acquired | N/A |
| Interest disposed | N/A |
| Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation | N/A |
| Interest after change | N/A |

+ See chapter 19 for defined terms.

Part 3 – ⁺Closed period

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|---|-----|
| Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required? | No. |
| If so, was prior written clearance provided to allow the trade to proceed during this period? | N/A |
| If prior written clearance was provided, on what date was this provided? | N/A |

⁺ See chapter 19 for defined terms.