

TERMS OF APPOINTMENT OF CHIEF EXECUTIVE OFFICER

10th December 2013

Chrysalis Resources Limited (ASX: CYS) has previously announced that Mr Leigh Ryan had been appointed as Chief Executive Officer effective 2nd December 2013. Mr Ryan is a highly qualified geologist with 26 years experience in the exploration and resources industry, specifically in project and executive management throughout Australia and Africa.

Mr Ryan has entered into an Executive Employment Contract with the Company the main terms and conditions of which are summarised below.

1. Appointment

The appointment is to the position of Chief Executive Officer of Chrysalis Resources Limited.

2. Term

The appointment will be on an ongoing basis effective from 2nd December 2013 and subject to termination by either party with 3 month's notice in writing or with payment.

3. Remuneration

The main components to Mr Ryan's remuneration are as follows:

a. Fixed Remuneration

Mr Ryan will be paid fixed cash remuneration in the form of a base salary subject to annual review. The base salary will be \$220,000 plus superannuation at the statutory rate which is currently 9.25%

b. Employee Share Plan Participation

Pursuant to the Executive Employment Contract the Company will issue to the Employee 3 million Plan Shares which will vest on the following Restriction Conditions being satisfied:

- (i) 1 million Plan Shares will vest upon the Employee completing 12 month's service in the role of Chief Executive Officer of the Company;
- (ii) 1 million Plan Shares will vest upon the Company achieving a Market Capitalisation of equal to or greater than \$30 million; and
- (iii) 1 million Plan Shares will vest upon the Company achieving a Market Capitalisation of equal to or greater than \$50 million.

4. Other Benefits

Mr Ryan will be covered by insurances typical for a contact of this nature.

Chrysalis Resources Limited	Company Snapshot	Company Structure	Board and Management
ABN 56 125 931 964 Level 1, 331 Hay Street SUBIACO WA 6008 PO Box 226, Wembley WA 6913 Phone: 618 9380 4430 Fax: 618 9481 5044 E: info@chrysalisresources.com.au www.chrysalisresources.com.au	Listed on ASX 27 May 2008 ASX Share Code CYS Sector Mining	No of Shares on Issue 220,474,881 Cash (as at 31 st October) \$2.62M	Dr Neale Fong – Non- Executive Chairman Ms Jing Wang - Executive Director Mr Jian Hua Sang – Non-Executive Director Mr Michael Griffiths – Non-Executive Director Mr Leigh Ryan – Chief Executive Officer Mr Kevin Hart – Company Secretary

5. Other provisions

The agreement also contains general provisions typically included in executive employment contracts.

Mr Ryan's remuneration will continue to be reported in detail in accordance with applicable reporting requirements in the Chrysalis Annual Report.

Yours sincerely,



Dr Neale Fong
Non-Executive Chairman

For further information please contact:

Mr Leigh Ryan Chief Executive Officer **+61 427 093 043**

Website: **www.chrysalisresources.com.au**