

Monday 28th August 2017

Automotive Solutions Group Announce Significant Personnel Changes

Automotive Solutions Group Limited (ASX: 4WD, “ASG” or the “Company”), provides the following market announcement and updates for shareholders;

Highlights - ASG Significant Personnel Changes

- **Tom Phillips stands down from Chair effective August 29 2017**
- **Deputy Chair and highly credentialed automotive retail specialist Peter Alexander appointed new Chairman**
- **Bryan Granzien appointed new company CEO, bringing skills both relevant and specific to current company priorities**
- **Laila Green brings 25 year wealth of experience, appointed new company CFO and Company Secretary**
- **Chris Downie engaged as ASG Automotive Projects Specialist to support CEO appointment with deep auto industry knowledge/experience and proven track record**

Tom Phillips - Chairman Retires

Following major surgery in May from which full recovery has been slow and challenging, Tom Phillips stands down from Executive Chairman role, a little over two months short of his initial full term.

The Board acknowledges and thanks Mr Phillips for his very significant and committed contribution to ASG, particularly during this period where he has filled an Executive Chair role following the resignation of the CEO in April.

New Chairman - Peter Alexander – B.Bus, MBA

Existing ASG Vice Chairman and Non-executive Director Peter Alexander will take the position of Chairman, effective today.

Mr Alexander holds a Bachelor of Business and gained an MBA from Melbourne Business School, and has 25+ years automotive and retailing experience. Mr Alexander transitioned his career through Myer into finance and accounting, becoming IVECO’s National Sales and Marketing Manager before being recruited by Subaru Australia and working up to General Manager Marketing – Retail.

Mr Alexander joined Polaris Industries (NYSE:PII) in 2004 as Managing Director, and has lead Polaris Australia and New Zealand to now become the most successful Polaris business outside of North America. Mr Alexander has successfully spearheaded the relaunch of Polaris owned Indian Motorcycles into Australia since 2013, and in 2016 was awarded a coveted Vice Presidency within Polaris Industries (USA).

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New CEO - Bryan Granzien - B.Bus, GAICD

As part of a new team, Bryan Granzien has been contracted to ASG as CEO effective today, in particular to work immediately with the board in implementing stronger fundamentals into the business. The appointment is for an initial period of three months while the Company continues to focus on its turnaround strategy. The key terms of his contract are summarized in the Annexure to this announcement.

Following senior executive management roles in Grainco and the subsequent Marketlink/Grainco JV 1999 to 2003, Mr Granzien then held General Manager positions of both Neumann Steel and NatSteel Australia through to 2011. He then served as CEO for Tata Steel Australia for five years before transitioning to his own executive management consultancy service working in both the ASX listed and unlisted environments.

With wide ranging senior management and CEO experience across mining, agribusiness, information technology, steel manufacturing and building industries, the board of ASG will be looking toward Mr Granzien's obvious enthusiasm for both people and process to optimise the ASG aggregation.

Mr Granzien has been appointed as CEO based on an appropriately balanced mix of skills and experiences including corporate, commercial and operational, deemed suitable to the range of imminent, specific tasks and strategies requiring leadership across ASG's diverse corporate and individual business unit needs.

With more than 50% of ASG's EBIT built through steel and alloy fabrication, Mr Granzien's extensive experience will assist ASG in cost management, procurement processes and structured work processes.

Following on from achieving his Bachelor of Business, Mr Granzien is a graduate of the Australian Institute of Company Directors, and graduate and fellow of the CEO Institute, and has held multiple Directorships.

With the CEO role secure, Bryce Wedemeyer will revert back to his Non executive Director capacity from the interim COO role he has fulfilled since April. The Board acknowledges and thanks Mr. Wedemeyer for his contribution during this transition particularly in defence of the AMA takeover bid.

New CFO - Laila Green - CPA, GIA, MAICD, BEcon

As outgoing CFO and Company Secretary Evan Camilleri pursues interests outside of ASG, we thank him for his very significant effort and commitment since the listing of the company.

ASG has recently appointed incoming CFO and Company Secretary Laila Green, who brings 25 years of experience across multiple industry and commercial sectors from a diversity of regions.

Ms Green's credentials and experience extend to that of an accomplished executive as a CFO, Company Secretary and a Directorship, with experience in local ASX, US and UK global multinationals and wholly owned subsidiaries.

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Automotive Projects Specialist – Chris Downie – MBA, B.Bus (Eco & Mktg)

The Board of ASG also welcomes Chris Downie to the team into a newly created role 'Automotive Projects Specialist'.

Mr Downie has been specifically recruited on the basis of his deep and successful integration into the automotive sector over his entire career. With years of experience and a proven track record, Mr Downie will serve in a consultancy capacity to provide specialised automotive project support to the new CEO.

Of particular interest to the ASG Board was Mr Downie's work during his time at the renowned Stillwell Motor Group. First as COO then four years as CEO from 2009-2013, Mr Downie led the Group and its 450 employees across twelve sites back into profit following the turmoil of the GFC. During this period Mr Downie was responsible for long term strategic planning covering organic and acquisition based growth plans, whilst selling off underperforming parts of the business.

Over his career Mr Downie has moved up through roles within Ford Motor Company Australia including Business Manager – Dealer Planning, Dealer Operations Manager, Customer Service Division – National Marketing & Sales Manager. Mr Downie progressed to Inchcape Motors Australia and again moved through several roles including General Operations Manager – Volkswagen, General manager – Peugeot, Network Development Manager – Subaru Australia, and Inchcape Retail Director.

In recent time Mr Downie has continued consulting to the automotive industry, and brings a highly appropriate range of skills and experience specific to refining the ASG integration.

Summary

With the opportunity presented by the depth of proven experience with the new team, the ASG Board will intensify both strategic and operational planning over the near term.

The Board, Corporate Management team and our Business Unit Leaders are singularly focused on growing consistency in our financial performance and leveraging that as the bedrock of our future growth.

For Further Information:

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Annexure – Key terms of CEO contract

Term – Mr Granzien’s employment commences immediately, and continues for a term of three months (which the Company has the option to extend by up to one or two further three month periods (making a total employment duration of either 6 or 9 months)).

Salary: Mr Granzien’s salary comprises a one-time sign-on payment of \$40,000 upon signing the contract, a base annualised salary of \$250,000 (excluding superannuation), plus additional performance-based bonuses capped at \$200,000 for the period until 31 December 2017. Mr Granzien is also entitled to a computer and phone.

Leave: Mr Granzien is entitled to 20 annual leave days per annum.

Location: Mr Granzien will be based in Brisbane.

Restraint: Mr Granzien has agreed to the terms of a 12 month restraint of trade typical for such agreements, such that for the 12 months after the end of Mr Granzien’s employment, he will not solicit the custom of any client or customer of the Company or any person with whom the Company has been cultivating or negotiating.