



Clover Corporation Limited

ABN 85 003 622 866

ASX ANNOUNCEMENT

11 November 2014

New CEO Contract

Clover Corporation Limited (ASX: CLV) (**Clover**) provides the following summary of the key terms of the Executive Service Agreement between Clover and Mr Peter Davey, following the appointment of Mr Davey as CEO (refer separate ASX announcement also dated 11 November 2014):

Clause Description	Key Terms
Commencement and Term	Mr Davey's appointment as CEO will take effect on 1 December 2014. Mr Davey's employment will continue for a period of three (3) years unless terminated by either party.
Remuneration Package	Mr Davey will receive: <ul style="list-style-type: none"> • Total Fixed Remuneration (TFR) of \$400,000.00 which includes compulsory superannuation. Mr Davey may, at his discretion, elect to salary sacrifice part of his TFR; • Short Term Incentive (STI) in each financial year of up to the cash equivalent of thirty percent (30%) of the TFR, at the discretion of the Board of Directors of Clover (the Board) and subject to the Company's financial position. The STI will be "at risk" and subject to the achievement of performance hurdles set by the Board.; • at the Board's discretion, Mr Davey may be invited to participate in the Company's Long Term Incentive Plan. Mr Davey's Remuneration Package will be reviewed annually in accordance with the Company's policy.
Leave Entitlements	Mr Davey will be entitled to leave - including annual, personal/ carer's, compassionate, long service and parental leave – in accordance with entitlements under applicable legislation.
Termination	Clover may terminate Mr Davey's employment before the end of the term in any of the following circumstances: <ul style="list-style-type: none"> • in its absolute discretion on giving 6 months' notice in writing to Mr Davey. In this case Clover may, at its discretion, pay Mr Davey a sum equivalent to 6 months of the TFR in lieu of notice and any accrued leave entitlements; • in the case of Mr Davey's prolonged incapacitation by illness or injury, on giving 6 months' notice in writing to Mr Davey. In this case Clover may, at its discretion, pay Mr Davey a sum equivalent to 6 months of the TFR in lieu of notice and any accrued leave entitlements; • in the case of a material, wilful and persistent breach of the Executive Service Agreement, serious criminal offence, commission of an act of bankruptcy or compounding with creditors, incapacity, or serious misconduct. In this case Clover may terminate without any notice or payment of any kind; • in the case of redundancy following a major change of ownership of the company. In this case, Clover must pay Mr Davey the equivalent

	<p>of 6 months of the Remuneration Package in addition to the 6 months' notice or payment in lieu, which is intended to satisfy (to the extent possible) redundancy pay applicable under relevant legislation; and</p> <ul style="list-style-type: none"> • In the case of redundancy other than following a major change of ownership, then in addition to 6 months' notice Clover will pay Mr Davey any redundancy required under applicable legislation. <p>Mr Davey may terminate his employment contract before the end of the Term in any of the following circumstances:</p> <ul style="list-style-type: none"> • on giving 6 months notice; and • in the case of a major change of ownership of the company, by notifying Clover within 3 and 6 months after the change. In this case, Mr Davey's employment is deemed to terminate by reason of redundancy, and Clover must pay Mr Davey the equivalent of 6 months of the Remuneration Package in addition to the 6 months' notice or payment in lieu, which is intended to satisfy (to the extent possible) redundancy pay applicable under relevant legislation.
<p>Restricted Activities After Termination</p>	<p>Mr Davey will be restrained for a period of up to 12 month following termination from engaging in, or counselling, procuring or otherwise assisting any person or entity from engaging in, the following activities following the termination of his employment contract:</p> <ul style="list-style-type: none"> • Soliciting or persuading a Customer to stop or reduce its business with the Group • Inducing or attempting to induce an employee of the Group to terminate their employment with the Group;

About Clover Corporation:

Clover Corporation Limited seeks to identify, develop and commercialize functional and nutritional ingredients in the infant formula and nutraceutical market. Its wholly owned subsidiary, Nu-Mega Ingredients Pty. Ltd., is a world class manufacturer and supplier of HiDHA omega-3 tuna oil and Driphorm microencapsulated nutritionally important lipid ingredients.

Company Contacts:

Peter Robinson – Chairman +612 9232 7166

Jaime Pinto – Company Secretary +612 9210 7000