



4 June 2014

Cabcharge Appoints New CEO and Two New Directors

The Board of Cabcharge Australia Limited today announced the appointment of Mr Andrew Skelton as Chief Executive Officer.

The Chairman of Cabcharge, Mr Russell Balding AO, said: "On behalf of the Board I am delighted to announce the appointment of Andrew as the Company's CEO. We are creating a new leadership team at Cabcharge that will enable the company to embark on a new era of growth and development."

"Andrew Skelton brings a unique combination of expertise to his new role. He has worked at all levels of the taxi industry and his strategic vision for the company is focussed on delivering better service for customers, better relationships with our industry partners and better outcomes for shareholders," Mr Balding said.

Earlier in his career, Mr Skelton spent 10 years leading the 13CABS Taxi Network (previously Black Cabs Combined Limited) in Melbourne in a role that involved a full range of operational responsibilities. He joined Cabcharge in December 2011 as Corporate Counsel and Company Secretary. Prior to that, Mr Skelton was a lawyer working in the Mergers and Acquisitions team at K&L Gates (formerly Middletons) in Melbourne.

Mr Skelton holds a Bachelor of Commerce, a Bachelor of Law, an executive MBA and a Graduate Diploma of Applied Corporate Governance.

Mr Skelton said: "Cabcharge has had a long and successful history and I believe it has an even brighter future. I believe we have opportunities to develop a stronger offering for our customers, innovate with even better new technology, change perceptions of our industry and engender strong confidence among shareholders in our business strategy, management and growth prospects."

Mr Skelton has stepped down as Company Secretary. Cabcharge CFO Mr Chip Beng Yeoh will continue in his role as Company Secretary.

Strengthening the Board

The Board also announced today that it has appointed Mr Rick Millen and Mr Rod Gilmour as new, non-executive directors of the Company.

Mr Balding said the two new non-executive directors would further strengthen the Board.

Mr Rick Millen has extensive experience in transactions, corporate finance and accounting having a career spanning more than 30 years with PricewaterhouseCoopers including leading first the Corporate Finance practice and subsequently the broader Advisory practice of the firm.

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Mr Millen also has a strong background in corporate responsibility, having led PwC's internal Corporate Responsibility agenda in Australia from 2005-2011 and globally from 2007-2010. Currently Mr Millen is a Director of Australia for UNHCR and a Director of Youth Off the Streets

Mr Millen holds a MA Hons Jurisprudence (Law) from Oxford University and is a member of the Institute of Chartered Accountants in Australia.

Mr Rod Gilmour has extensive experience in chief executive, board and other leadership roles in public and private sector organisations in the transport; business & economic development; and health and community services sectors. This has included policy and regulatory oversight of the taxi, hire car and bus industries in two Australian jurisdictions.

Since July 2012 Mr Gilmour has provided Corporate Affairs services to Cabcharge on a consultancy basis. That arrangement concluded in April 2014.

Mr Gilmour is currently Chair of the New South Wales Telecommunications Authority. He is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management.

"Together, the appointments of Mr Skelton, Mr Millen and Mr Gilmour and other changes to our corporate governance arrangements should give shareholders confidence in the new leadership team that is being built at Cabcharge, following the recent death of the Company's founder and Executive Chairman, Mr Reg Kermode," said Mr Balding.

"The first significant and highly visible sign of these changes is reflected in the terms of the employment agreement appointing Andrew Skelton as Chief Executive Officer," said Mr Balding.

Summary of the key terms of the employment agreement appointing Andrew Skelton as Chief Executive Officer of Cabcharge

Commencement date

4 June 2014.

Term

Andrew Skelton's appointment as Chief Executive Officer is ongoing, subject to twelve months' notice of termination by either party. Cabcharge may terminate without notice in certain circumstances, including serious misconduct or material breach of company policy.

Total fixed remuneration

\$675,000 per annum reviewed annually. TFR includes base salary, superannuation contributions and any fringe benefits (including any fringe benefits tax).

Short term incentive

Andrew Skelton is eligible to participate in an annual short term incentive (STI) plan. For the 2014-2015 financial year he will have a maximum opportunity of \$250,000 dependent on the achievement of performance conditions.

Long term incentive

Andrew Skelton is eligible to participate in Cabcharge's long term incentive (LTI) plan. An initial LTI grant will, subject to any required shareholder approvals, be made in the form of Cabcharge share performance rights with the initial grant value equal to \$175,000, and will vest based on the achievement of performance hurdles over a four-year period. Performance hurdles will be set at the time of the grant.

Payments on termination

If Andrew Skelton's employment is terminated, Cabcharge may elect to make payments in lieu of part or all of the applicable notice period. The Board retains discretion to determine whether any STI will be payable.

Where Andrew Skelton's employment is terminated by Cabcharge other than for cause, any LTI rights that have not reached the end of the relevant performance period at termination will normally remain on foot and be tested and delivered in the ordinary course subject to the original performance hurdles. However the Board retains discretion to vary this treatment if considered appropriate.

Other provisions

Andrew Skelton's employment agreement also contains provisions relating to confidentiality and non-compete periods.

Further detail regarding Andrew Skelton's remuneration arrangements and employment terms will be provided in Cabcharge's 2014 Remuneration Report.

For further information please contact:

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