

12 May 2015

**ASX Announcement
Issue of Options pursuant to ESOP**

Manalto Limited (Company) announces the proposed issue of 2,625,000 Options to Company employees and management pursuant to the Company's Employee Share Option Plan (ESOP). In addition and subject to shareholder approval pursuant to ASX Listing Rule 10.11, the Board of Directors has agreed to issue the Company's Chairman, David Fletcher, 1,000,000 Options.

Each Option will have an exercise price of \$0.30 and an expiry date 5 years from the date of issue or 60 days following the ceasing of the option holders employment or engagement with the Company, whichever occurs first.

Options are subject to vesting conditions set out below:

- 25% of total number of Options issued to each recipient shall vest on the date which is one year from the issue date (Vesting Commencement Date); and
- the remaining 75% of the total number of Options issued to each recipient shall vest in 36 equal monthly installments on the last day of each full calendar month after the Vesting Commencement Date.

The Options will be issued in accordance with the terms and conditions of the Company's ESOP which were released to ASX on 23 March 2015 and have been previously approved by the Company's shareholders.

The issue of Options to key employees, management and directors provides for a cost effective form of performance-based remuneration, which further aligns the interests of the option holder to the Company's performance, share price appreciation and shareholder value.



Justyn Stedwell
Company Secretary
Manalto Limited

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