

13 February 2023

Chief Executive Officer Appointment

Verbrec Limited (ASX: VBC) announces the appointment of Mark Read as Chief Executive Officer effective 13 March 2023. This follows the previously announced succession planning the Board commenced on 19 October 2022 given the retirement of Linton Burns from the roles of CEO and MD is slated for 27 September 2023.

Mr Read is a results focused business leader with over 30 years' experience across publicly listed and privately held engineering service companies nationally and internationally. Mr Read has a proven track record of leadership, management and change management of technical services and project delivery organisations. His prior success in establishing, transforming, acquiring, and growing businesses to improve profitability and achieve sustained growth will be welcomed by all stakeholders.

Chairman, Phillip Campbell, commented:

"With the assistance of a search firm, a comprehensive executive recruitment process commenced in October 2022. The Board was very encouraged by the calibre of candidates that made the short list. But in the end, Mark's breadth of experience across a wide range of engineering activities including Design, D&C, EPC and EPCM, as well as operations and maintenance of plants, was decisive. The fact that Mark has had public company CEO and board experiences and experience chairing a significant industry representative body, is an added bonus.

Mark possesses strong and proven executive leadership and management skills that have seen him achieve outstanding results in national and international engineering service enterprises.

Linton, along with his executive team, have done an exceptional job implementing a new ERP across the merged entities, forging a new brand and identity, transforming the business via two bolt-on acquisitions, improving underlying profitability and finalising the three loss making legacy projects.

With Mark's appointment coinciding with the recent closure of the Company's final legacy project, the business is in a strong position to focus on delivering its record work-in-hand.

We are also very fortunate to have outgoing MD and CEO, Linton Burns, committed to ensuring a smooth transition for the Company."

Mr Read said he was excited about the opportunity to become the CEO of Verbrec and added:

"I am honoured to have been selected to take over the helm of a company with the capability and heritage of Verbrec at such an opportune time. Linton has done a tremendous job in the last three years to bring the company to this point. Verbrec is now ideally positioned to expand its current client offerings as well as developing new markets, particularly within the renewable energy and digital technology fields.

I look forward to delivering on the next stage in the evolution of Verbrec – building upon our purpose, increasing the brand's value and enhancing the environment in which talented people can grow and flourish as well as strengthening our client relationships and delivering value to shareholders."

Outgoing MD & CEO Linton Burns commented:

"Given that both the transformation to Verbrec is complete and the previously described three poor performing legacy projects are closed, it is the right time to hand over the baton to Mark. He will continue building on the growth strategy underpinned by significant investment in transitioning to a more sustainable and smarter future and leveraging strong commodity prices.

I would like to take this opportunity to thank the management team and Board for their support. I look forward to watching the business and its people grow and prosper from the side-lines."

Following Mr Read's appointment, Mr Burns will be resigning as a Director and will serve out the remaining term of his employment contract initially supporting Mark's transition and then finalising one or two projects.

Coinciding with Mr Read's appointment, a handful of talented and experienced engineers currently with AEP Elical are expected to transition to employment with Verbrec, strengthening our digital industry and renewable energy capability.

A summary of Mr Read's biography along with the key terms and conditions of his appointment are included as an annexure to this ASX Announcement.

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Authorised for release by the Board of Directors of Verbrec Limited.

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About Verbrec Limited

Verbrec is a leading mid-tier engineering and project services company that supports customers across Australia, New Zealand, PNG and beyond. The Verbrec group of companies serve the energy, infrastructure, and mining industries through their six service lines; asset management, competency training, digital industry, pipelines, power, and process plant, with capabilities that span across the entire life cycle of an asset. Verbrec is an Australian Securities Exchange listed company (ASX:VBC).

Verbrec Limited

ASX : VBC

ACN: 127 897 689

Verbrec.com

Share Registry

Computershare Investor Services Pty Ltd

Ph: +61 3 9415 4000

computershare.com

Annexure A

MARK READ BIOGRAPHY

EXECUTIVE EXPERIENCE – SUMMARY

BHP Engineering	6 years	Senior Engineer Electrical Engineer
Sinclair Knight Merz	20 years	Global GM Mining and Metals Chief Operating Officer (Asia Pacific) Regional Manager (S.E. Australia) Executive Engineer
Sedgman Ltd (ASX:SDM)	3 years	CEO and Managing Director
KBR Ltd	2 years	Global President, President Minerals
GHD	6 years	Founder and GM – GHD Advisory Market Development Leader – APAC Global Market Leader – Energy & Resources
AEP Elical	Current	Managing Principal

BOARD EXPERIENCE – SUMMARY

AEP Elical	Current	Executive Director
Green LOHC	Current	Advisory Board
Austmine	6 years	Chair / Director
Aspire Mining Ltd (ASX:AKM)	4 years	Non-Executive Director
Sedgman Ltd (ASX:SDM)	3 years	Managing Director
Sinclair Knight Merz	12 years	Director

TERTIARY QUALIFICATIONS

Bachelor of Engineering (Electrical) (Hons.1), University of Queensland
Advanced Management Program, Harvard Business School
Directors Course Diploma, Australian Institute of Company Directors
Developing Blockchain Strategy, RMIT

PROFESSIONAL AFFILIATIONS

Member, Australian Institute of Company Directors.
Fellow, Engineers Australia.

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Annexure B

SUMMARY OF THE KEY TERMS OF THE EXECUTIVE EMPLOYMENT AGREEMENT BETWEEN VERBREC AND MARK READ

1. Commencement date

Mr Read has been appointed to the role of Chief Executive Officer commencing 13 March 2023.

2. Term

The appointment is on an ongoing basis, subject to the termination provisions set out below.

3. Remuneration

Total Fixed Remuneration (TFR), including Superannuation, is \$450,000 per annum. Mr Read has requested flexibility in how this fixed remuneration amount is packaged and the Board has agreed as long as total cost to the Company (including FBT if any) does not exceed the stated amount. The amount will be reviewed annually by the Board.

Short Term Incentive

Mr Read's performance will be assessed annually by the Board against a series of Key Performance Indicators (**KPIs**). These KPIs include both financial and non-financial matters. The maximum amount payable under the Short Term Incentive is 50% of the Total Fixed Remuneration, awarded as a cash payment and paid on or shortly after 1 October following the end of the prior financial year, and subject to the following conditions being satisfied as at the award date:

- that the Executive be employed by the Company as at 1 October in each of the years; and
- that the Executive has achieved his Key Performance Indicators (KPIs) to the satisfaction of the Board for the relevant financial year (beginning with FY2024).

The award of the Short Term Incentive (STI) may be pro-rated at the absolute discretion of the Board and the STI is subject to the Company's STI Plan Rules (as amended from time to time).

Long Term Incentive

The Long Term Incentive (LTI) is an equity based incentive under which Mr Read will be entitled to receive an annual allocation of Performance Share Rights. Beginning with FY2024, Performance Share Rights to a maximum 70% of Total Fixed Remuneration will be awarded in October following the end of the prior financial year (subject to shareholder approval at the Annual General Meeting of the Company) with a vesting period of three (3) years.

The vesting of the LTI may be pro-rated at the absolute discretion of the Board.

The LTI is subject to the Company's LTI Plan Rules (as amended from time to time).

There is no fixed term associated with Mr. Read's Executive Employment Agreement and the following additional terms apply to the LTI in the event of termination of the Agreement:

- (a) if the Company gives notice of termination of the Employment for any reason (other than illness or incapacity), the Executive will not be entitled to that part of the Incentive Arrangements which are yet to be paid or otherwise vested.
- (b) if the Company gives notice of termination of the Employment due to the Executive's illness or incapacity, the Executive will be entitled to that part of the Incentive Arrangements which are yet to be paid or vested.

(c) if the Executive gives notice of termination of the Employment, any Incentive Arrangements which have not already been paid or otherwise vested may in the Board's absolute discretion be withheld, payable or otherwise vest on termination or such other date as determined by the Board.

(d) despite any other term or condition, the vesting or payment of the Incentive Arrangements may be withheld or delayed at the absolute discretion of the Board.

Other Benefits

The Company will be providing Mr Read with a Mobile Phone and Laptop Computer for his use. A parking space will be provided (if required) in the Brisbane CBD office.

4. Termination

Mr Read's Executive Employment Agreement is capable of termination in the following circumstances:

- by the Company with 3 months' notice if termination is within first year of Executive's employment.
- by the Company with 6 months' notice at all other times.
- by the Executive with 3 months' notice.

On any termination, any outstanding Total Fixed Remuneration and accrued but untaken statutory entitlements are payable (to the extent required by law), together with reimbursement of expenses and an entitlement to his LTI as calculated above.

