

ASX & Media Release

14 October 2013

Terry Sinclair appointed Managing Director

The Board of Service Stream (ASX:SSM) is very pleased to advise that - effective 6 November 2013 – Mr Terry Sinclair has been appointed Managing Director of Service Stream Limited.

Terry's appointment follows an extensive search, with a very strong field of potential candidates meeting with the Company. Terry was a standout candidate in that process, and he and the Company have now concluded an Executive Employment Agreement.

Terry was most recently General Manager of Corporate Development for Australia Post, accountable for strategic growth opportunities, relationships with key alliance/JV partners and transformation of the overall business model, including developing growth opportunities in digital communications, secure payments and government services. Prior to that Terry held numerous positions over some 23 years with BHP Billiton.

Commenting on the appointment, Peter Dempsey, Chairman said:

"We are delighted that Terry has agreed to take on the role of Managing Director. His mix of people skills and strategic initiative will be essential to developing the potential of the Company both immediately and over the longer term; and particularly useful at this time of rebuilding trust with a number of our key clients and stakeholders. His team focus will ensure that the Company benefits from the existing executive management group who have worked tirelessly to overcome the challenges we recently experienced in the rollout of the national broadband network and associated activities."

The Board thanks Brett Gallagher for his extraordinary efforts during the period up to the time of this appointment, having stepped into the role of Executive Director at short notice and led the Company through some difficult challenges. Brett will resume his position as a Non-Executive Director once Terry formally starts as Managing Director.

Outline of material elements of Employment Agreement

Terry will formally commence his new role on 6 November 2013.

His total fixed remuneration will be \$600,000 per annum, including superannuation and all other allowances. While the Board retains discretion to offer a short term incentive bonus in the case of exceptional performance in circumstances not presently anticipated, there is no planned short term incentive scheme.

Reward for performance in the role, over and above annual remuneration, is intended to be realised by way of a long term incentive scheme.

The long term incentive will reward the Managing Director with shares in the Company at the end of his third, fourth and fifth years of employment (with 1.5 million shares to be awarded in each year). As value is created in the Company over that period, the Managing Director will participate in that value through ownership of these shares.

The issue of the shares is subject to achievement of compounded earnings per share growth over the period of 10% per annum. In certain circumstances (such as termination without cause, or as a consequence of a change of control transaction after at least 12 months of employment) a number of shares may vest early, but it is generally intended that the Managing Director must be employed at the relevant time to receive any shares.

The Executive Employment Agreement contains other standard provisions common to such agreements, and includes the right for either party to terminate on six months' notice (other than in the first year, when the Company would be obliged to provide 12 months notice).

For further details contact:

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About Service Stream Limited:

Service Stream is a public company listed on the Australian Securities Exchange (Code: SSM) with annual revenue in excess of \$500 million. The Service Stream Group is a provider of essential network services to the telecommunications, energy and water industries. Service Stream operates out of more than 40 locations nationwide and maintains a workforce of around 3,000 employees and contractors. For more information please visit www.servicestream.com.au

About Terry Sinclair / Personal Biography



Terry Sinclair
Personal Biography

Terry Sinclair is a senior executive and director with significant experience in the Resources, Industrials and Services sectors.

Mr Sinclair has held leadership roles with BHP Billiton, Australia Post, and a number of joint ventures in the Australian, Chinese, North American and European markets.

Mr Sinclair brings a unique set of skills and expertise in the digital economy, infrastructure and asset management and the utilisation or provision of contracted services.

During his career with BHP Billiton, Mr Sinclair led operations and business development activities in the resources, steel manufacturing and transport and logistics sectors in Australasia.

As Head of Corporate Development at Australia Post, Mr Sinclair created the new digital business model to transition Australia Post from an old economy, “transaction-based” business to a new economy, “services-based” business.

At Australia Post, Mr Sinclair led the development of AUX Investments (Star Track Express and Australian airExpress merger) as Chairman and created the opportunity to drive significant growth in earnings and establish new ownership options for Qantas and Australia Post.

Mr Sinclair is a non-executive Director of Transpacific Industries (ASX:TPI); previously Chairman of Star Track Express; a Director of Australian Air Express; a Director of Sai Cheng Logistics (China), and PrintSoft Holdings.

He holds a Masters of Business Administration (M.B.A), a Graduate Diploma in Management and other tertiary qualifications in Mining, including Surveying.