



19th November 2009

The Company Announcements Platform
Australian Stock Exchange Limited

FOR RELEASE TO THE MARKET

Dear Sir/Madam

Austbrokers Holdings Limited extends CEO contract until 2012

Austbrokers Holdings Limited (ASX: AUB) (**Austbrokers**) is pleased to announce the extension of Mr Lachlan McKeough's contracted term as CEO for a further 2 years to 16 November 2012.

Mr Richard Longes, Chairman, said "the board is pleased that Mr McKeough has agreed to continue in his current role as chief executive officer for a further two years".

"Under Mr McKeough's leadership and guidance, the Austbrokers senior management team has continued to develop the successful strategies which have been reflected in the strong profit growth over the four years since our 2005 listing on the ASX. "

The attached appendix contains an overview of the key terms and provisions of Mr McKeough's extended contract and remuneration package.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'SR' followed by a flourish.

S.S. Rouvray
Company Secretary
Austbrokers Holdings Limited

For further information, contact Steve Rouvray

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Appendix: Summary of the key terms and conditions of extended appointment

On 19 November 2009 AUB and Mr McKeough entered into a variation of the existing executive services agreement between AUB and Mr McKeough dated 30 September 2005, details of which are set out in the AUB Prospectus dated 30 September 2005 (see section 10.7.1). The key terms and conditions of the variation are set out below.

Expiry of Term

Extended from 16 November 2010 to 16 November 2012, subject to earlier termination by AUB or Mr McKeough. Mr McKeough must give AUB at least 12 months' notice if he intends to resign before 16 November 2012.

Remuneration

Mr McKeough's Base Remuneration does not change as a result of the extension of his contracted term. Mr McKeough's Base Remuneration, which is currently \$482,125, is still to be reviewed annually.

Short Term Incentive

The maximum Short Term Incentive which may be paid to Mr McKeough in respect of each financial year has been increased from 66% of Mr McKeough's Base Remuneration to 120% of Mr McKeough's Base Remuneration. No other changes have been made to Mr McKeough's Short Term Incentive arrangements. Any Short Term Incentive payment continues to be subject to, among other things, achieving financial and non financial targets fixed in advance by the Board.

Long Term Incentive

With effect from 16 November 2008, Mr McKeough is no longer eligible to participate in the Long Term Incentive.

Medium Term Incentive

Mr McKeough will have the opportunity to earn a Medium Term Incentive payment of between \$40,000 and \$200,000 in respect of his employment in the period 16 November 2008 to 16 November 2009 and between \$44,000 and \$220,000 in respect of his employment in the period 17 November 2009 to 16 November 2010. Payment of the Medium Term Incentive payments is subject to AUB achieving agreed levels of compound average earnings per share growth in the periods 1 July 2008 to 30 June 2010 and 1 July 2009 to 30 June 2011 respectively, as determined by the Board (Assessment Periods). A minimum compound average earnings per share growth of 8.5% must be achieved for any Medium Term Incentive to be payable. The maximum Medium Term Incentive payment is payable if compound average earnings per share growth of 15% is achieved in the relevant Assessment Period. Mr McKeough is entitled to receive a pro rata Medium Term Incentive payment if his employment terminates during an Assessment Period other than summarily for, among other reasons, misconduct.

Payments on Termination

The redundancy arrangements previously agreed with Mr McKeough will no longer apply. Otherwise, the parties' rights with respect to the termination of Mr McKeough's employment do not change as a result of the extension of his contracted term. Any payment or benefit which may be due to Mr McKeough upon the termination of his employment is subject to applicable law and the ASX Listing Rules as in place from time to time.

Restraint after the Term

AUB retains the right to impose non-compete and non-solicitation obligations upon Mr McKeough for 6 months after the termination of his employment (except where Mr McKeough terminates as a result of AUB breaching its obligations to Mr McKeough).

Other than as referred to above, there are no material changes to the terms and conditions of the existing executive services agreement between AUB and Mr McKeough.