



MANAGING DIRECTOR CONTRACT EXTENSION

13 September 2013

Webjet Limited (ASX:WEB) announces that the Company has renewed its contract with its Managing Director, Mr John Guscic, for a further term concluding on 30 June 2017. A summary of the contract terms is attached.

Webjet's Chairman, David Clarke, said: "The Board is very pleased to announce the extension of John Guscic's term as Managing Director through to 30 June 2017. This extension provides us with powerful leadership continuity during the next few years as we implement a range of strategic initiatives designed to capitalise on what we consider to be significant development opportunities in the global market."

A handwritten signature in blue ink, appearing to read 'A. Griegg', is written in a cursive style.

Anne Griegg
Company Secretary

For further information contact John Guscic on (03) 9828 9754
Webjet – Australia's Multi Award Winning Online Travel Service
http://www.webjet.com.au/About_us/Awards.html

Summary of Key Contract Terms
John Guscic's contract extension as Managing Director of Webjet Limited

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| Commencement Date: | 1 February 2014 |
| Term: | Fixed until 30 June 2017; term may be extended by agreement |
| Fixed Remuneration: | <p>Fixed Remuneration will be \$750,000 per annum (FR). Mr Guscic's FR will be reviewed annually (on or before the commencement of each financial year during the Term of the Contract).</p> <p>FR includes salary, director's fees in respect of any directorship in the Group and superannuation.</p> |
| Discretionary Bonus: | The Company may in its absolute discretion provide a bonus of up to \$50,000 per annum paid in 2 half yearly instalments. |
| Incentives: | |
| <i>Short Term Incentive</i> | <p>Mr Guscic is eligible for a short term incentive benefit in respect of each year of the Contract Term as follows:</p> <ul style="list-style-type: none">(a) If the EBITDA budget authorised by the Board (Budget) is met or exceeded by 10%, an amount equal to 45% of the FR, being \$337,500;(b) If the Budget is exceeded by more than 10% and less than 15%, an amount equal to 55% of the FR, being \$412,500;(c) If the Budget is exceeded by more than 15% and less than 20%, an amount equal to 60% of the FR, being \$450,000;(d) If the Budget is exceeded by more than 20% and less than 25%, an amount equal to 70% of the FR, being \$525,000;(e) If the Budget is exceeded by more than 25% and less than 30%, an amount equal to 75% of the FR, being \$562,500;(f) If the Budget is exceeded by more than 30%, an amount equal to 80% of the FR, being \$600,000. |
| <i>Long Term Incentive</i> | <p>Subject to shareholder approval, Mr Guscic will receive 3,000,000 options during the Term in three tranches, as follows:</p> <p>Tranche 1 – 1,000,000 options vesting on 30 June 2015, exercisable on and from that date for up to three years at a price of \$5 per share</p> <p>Tranche 2 – 1,000,000 options vesting on 30 June 2016, exercisable on and from that date for up to three years at a price of \$5.50 per share</p> <p>Tranche 3 – 1,000,000 options vesting on 30 June 2017, exercisable on and from that date for up to three years at a price of \$6 per share</p> <p>Vesting is subject to Mr Guscic remaining employed by the Company on the vesting date (except in limited circumstances – death, disablement, redundancy, termination of employment</p> |

by reason of breach by the Company of his employment contract or other circumstance approved by the Company) and generally subject to the Scheme rules governing executive option issues. The Scheme rules provide that the options are not transferrable without the prior written consent of the Company and do not carry any voting rights or any entitlement to bonus or rights issues unless and until they are exercised and shares are issued.

Termination:

The Company may terminate Mr Guscic's employment at any time on 12 months' notice or payment in lieu of notice. In this circumstance, Mr Guscic will receive a pro-rata entitlement to options due to vest in the next tranche. This entitlement is based on the proportion that the number of days lapsed since the last testing date up to the date of notice of termination by the Company represent of 365 days.

Mr Guscic may terminate his employment with 6 months' notice. Options which have not vested lapse upon termination by Mr Guscic.

Mr Guscic's performance may also be terminated by the Company in circumstances of his Contract breach, misconduct or poor performance.

Restrictive Covenant:

Mr Guscic will be restrained for up to 12 months' after termination of his employment with the Company from:

- (a) being engaged in any business directly competitive with any business carried on or planned to be carried on by the Company;
- (b) soliciting directors, employees, consultants or agents of the Company; and
- (c) interfering between any member of the Company group and its major trading partners, customers, employees, consultants, substantial shareholders or other parties who are or have been involved in material transactions with the Company in the previous 12 months.