



ORBITAL®

ASX RELEASE

For Immediate Release: 11 August 2017

Orbital strengthens leadership team with Managing Director succession

PERTH, AUSTRALIA: Orbital Corporation Limited (ASX:OEC) (“Orbital” or “the Company”) is pleased to announce that the Company’s current Chief Financial Officer and Company Secretary, Mr Todd Alder, has been appointed Managing Director and Chief Executive Officer with immediate effect. Mr Alder replaces Mr Terry Stinson who will remain on the Orbital Board as a Non-Executive Director.

Mr Alder’s career track record includes successful start-ups, acquisitions and the implementation of lean concept business transformations. He will bring to the Orbital leadership role a continued focus on financial discipline, strategy alignment and operational efficiency.

Since joining Orbital in January 2017, Mr Alder has successfully challenged, led and implemented operational and strategic change initiatives. The Board encourages this renewed energy and focus and has provided Mr Alder with a clear mandate to maximise shareholder value through the present and future opportunities existing in the business.

Mr Stinson, who has held the dual Managing Director and CEO positions with Orbital for the past nine years, remains on the Board as a Non-Executive Director and, during a period of transition, will assist Mr Alder in an advisory capacity with a specific focus on the ongoing relationship with key client Insitu, a wholly-owned subsidiary of Boeing. Orbital has commenced a formal recruitment process for the role of Chief Financial Officer and Company Secretary vacated by Mr Alder’s appointment.

Commenting on Mr Alder’s appointment, Chairman Mr John Welborn indicated that Orbital’s leadership succession had been well-planned to ensure the Company could benefit from Mr Alder’s energy and enthusiasm while retaining Mr Stinson’s significant corporate knowledge and relationships:

“Todd Alder is the right person to lead Orbital at this exciting time. The Board is unified and confident that Todd’s skills, experience and enthusiasm will be a strong boost to Orbital’s business strategies. Terry Stinson has been a major contributor to the Orbital business over a long time and it is important he remains part of the Orbital team. The Company has been transformed during his tenure as Managing Director and, on behalf of shareholders, I sincerely thank him for his contribution.”

-ENDS-

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About Orbital

ORBITAL is an innovative industrial technology company.

ORBITAL invents and builds smart technology that delivers improved performance outcomes for our clients in the aerospace, mining & industrial and consumer sectors.

ORBITAL operates on a global scale and is headquartered in Perth, Western Australia. From a world class facility, ORBITAL's innovation magic takes shape – from research and design to development, manufacturing and implementation.

Delivering state-of-the-art products and services within the industrial technology sector is what we do.

ORBITAL's technology leadership is exemplified by the patented REMSAFE remote isolation system for global mining and industrial applications and Orbital's® UAVE business that produces and supplies engine and propulsion systems for unmanned aerial vehicles.

Forward Looking Statements

This release includes forward-looking statements that involve risks and uncertainties. These forward-looking statements are based upon management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company that could cause actual results to differ materially from such statements. Actual results and events may differ significantly from those projected in the forward-looking statements as a result of a number of factors including, but not limited to, those detailed from time to time in the Company's Annual Reports. Orbital makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

Attachment

Material Terms of Employment – Managing Director

In accordance with ASX Listing Rule 3.16.4 Orbital makes the following disclosures in respect of material terms of the Executive Employment Agreement between the Company and Mr Todd Alder:

Position	Managing Director and Chief Executive Officer
Commencement date	11 August 2017
Term	No fixed term, ongoing until terminated by either party in accordance with the Executive Employment Agreement.
Total Fixed Remuneration (TFR)	\$340,000 per annum (including superannuation)
Short Term Incentive (STI)	For “at target” annual performance Mr Alder has the potential to earn 40% of TFR being \$136,000 per annum, subject to satisfaction of performance criteria as determined by the Board.
Long Term Incentive (LTI)	Mr Alder will have the potential to earn up to 60% of TFR being \$204,000 per annum under a Performance Rights plan. Vesting of each LTI award will be over a 3 year period and will be subject to the satisfaction of performance and service criteria as determined by the Board.
Other Benefits	Mr Alder intends to purchase approximately \$200,000 of Orbital shares over the next several months as trading volumes and governance restrictions permit. Orbital will match each share acquired by Mr Alder over that period with two performance rights. Those rights will vest in two years subject to the Orbital share price, based on a 30 day VWAP, being greater than the 30 day VWAP of the Orbital share price on the date of Mr Alder’s appointment.
Post-employment Restraint	A 12 month restraint provision applies with respect to employment in a competing business.