



DISCOVERY  
africa

## BOARD REMUNERATION

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**8 October 2014**

The Board of Discovery Africa Limited (ASX: DAF) (**Company**) changed on 10 April 2014. Since that date the new Directors have undertaken a review of the Company and its projects, finances and operations.

Based on the state of the Company at the time of being appointed, the current Board has undertaken a significant amount of work over the last 5 months in order to improve the Company's financial position and to commence targeted works on its Tanzanian projects. Since their appointment the new Directors have received no remuneration or incurred any personal cost to the Company.

The Board considers that now is an appropriate time to recognize all of their services, contribution and efforts over the past 5 months and has proposed the following.

### **Frank Knezovic**

Mr. Knezovic has provided services to the Company tantamount to that of an executive, the remaining Directors consider it appropriate that he receive a consultation fee totaling \$100,000 (representing \$20,000 per month) for his considerable time, services and efforts over the last 5 months. However, in order to not deplete the Company's cash reserves, Mr Knezovic has agreed to be paid the consultation fee via a convertible note to Mr Knezovic or his nominee.

In accordance with Listing Rule 3.16.4, the following is a summary of key terms of the convertible note:

|                   |   |
|-------------------|---|
| Amount:           | \$100,000.00  |
| Term:             | 2 years   |
| Interest Rate:    | Nil   |
| Conversion Price: | The 30 day VWAP, being 2.4 cents each.  |
| Convertible:      | Subject to prior shareholder approval, by the holder at any time before the repayment date and either paid out or converted in whole or in part, as agreed by both parties. |

### **Peter Lloyd**

Mr. Lloyd has provided services to the Company tantamount to that of an executive, the remaining Directors consider it appropriate that he receive a consultation fee totaling \$80,000 (representing \$16,000 per month) for his considerable time, services and efforts over the last 5 months. However, Mr Lloyd has agreed that the Company will not pay the consultation fee until such time as the Company is in a financial position to accommodate the payment.



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**Graham Walker**

Mr. Walker has also provided significant services to the Company, the remaining Directors consider it appropriate that he receive non-executive directors fees totaling \$33,000 (representing \$6,600 per month) for his considerable time, services and efforts over the last 5 months. However, Mr Walker has agreed that the Company will not pay the non-executive directors fee until such time as the Company is in a financial position to accommodate the payment.

All future and further services to be provided by the Directors will be reviewed and assessed by the Board on an ongoing basis and subject to the circumstances and capacity of the Company.

For further information:

Ranko Matic  
CFO/Company Secretary