



1 August 2013

## ASX ANNOUNCEMENT

### APPOINTMENT OF KEY DIRECTORS

The Board of Eco Quest Limited (ASX: ECQ) is pleased to announce the appointment of Dr Stewart Washer as Executive Chairman and Dr Ross Macdonald as Managing Director and Chief Executive Officer.

The Board changes are important in the light of the Company's recent announcement of its option to fully acquire US stem cell company Cynata Inc, and its increased focus on this high value field of regenerative medicine.

Both Dr Washer and Dr Macdonald are experienced and successful biotech executives who are ideally placed to help the company commercialise the Cynata stem cell platform.

Mr Howard Digby will transition to a Non-Executive Director role after a period to be determined by the Board.

Dr Washer has 20 years of CEO and Board experience in medical technology, biotech and agrifood companies. He is currently the Chairman of iSonea Ltd (ASX: ISN) who are developing a digital health system for asthma in the US and Investment Director with Bioscience Managers who manage Australian and UK life-science funds. Dr Washer was previously the CEO of Calzada Ltd (ASX: CZD), the founding CEO of Phylogica Ltd (ASX: PYC) and before this, he was CEO of Celentis and managed the commercialisation of intellectual property from AgResearch in New Zealand with 650 Scientists and \$130m revenues. He was also a founder of a NZ\$120m New Zealand based life science fund and Venture Partner with the Swiss based Inventages Nestlé Fund. Dr Washer has held a number of board positions in the past as the chairman of Resonance Health Ltd (ASX: RHT) and Hatchtech Pty Ltd, a Director of iCeutica Pty Ltd, AusBiotech Ltd, Immuron (ASX: IMC) and also served on the Murdoch University senate. He is currently the chairman of Firefly Health.

Dr Macdonald has over 20 years' experience in pharmaceutical and biotechnology businesses. Previously his executive appointments have included chief executive officer of Hatchtech Pty Ltd, vice president, business development for Sinclair Pharmaceuticals Ltd, vice president, corporate development for Stiefel Laboratories, Inc, (Coral Gables, FL, now part of GlaxoSmithKline), vice president of business development for Connetics Corporation (Palo Alto, CA), vice president of research & development with F.H. Faulding & Co. Limited and managing director of Soltec Research Pty Ltd. Dr Macdonald is a non-executive director of iSonea Ltd (ASX: ISN), a non-executive director of Telesso Technologies Ltd (ASX: TEO) and also a non-executive director of Hatchtech Pty Ltd. Dr Macdonald holds a PhD in Biochemistry, Monash University, a Graduate Diploma in Business Administration, Swinburne University, and he is a member of the Licensing Executives Society.



As part of the changes, Mr Darren Olney-Fraser, has today resigned as a Director of the Company. The Board would like to thank Darren for his contribution to the Company and to wish him well in his future endeavours.

For more information about Eco Quest visit [www.ecoquest.com.au](http://www.ecoquest.com.au).

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## Executive Services Agreement – Dr Stewart Washer

### Term

Dr Washer's Executive Services Agreement is for a 24 month period expiring on 31 July 2015.

### Remuneration

A total employment cost (Salary)

1. Salary of \$48,000 per annum initially; or
2. Salary of \$96,000 per annum upon achievement of capital raising hurdles prescribed by the Board; or
3. Salary of \$150,000 per annum upon settlement of the Company's proposed acquisition of Cynata Incorporated and reinstatement to trading of the Company's quoted securities after re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

### Short Term Incentive

Dr Washer may be entitled to an annual performance bonus based on achievement of key performance indicators (KPIs) at the discretion of the Board.

### Unlisted Options

Subject to shareholder approval, the issue of 50,000,000 unlisted options to Dr Washer or his nominee, exercisable at \$0.02 each with an expiry date of 5 years after the date of issue and which will vest in the following manner:

25,000,000 on the date of issue;

15,000,000 subject to the volume weighted average price of Shares over a period of 10 consecutive trading days being at least \$0.04; and

10,000,000 subject to the volume weighted average price of Shares over a period of 10 consecutive trading days being at least \$0.06.

In the event of a reorganisation of the Company's listed capital the vesting price hurdle will be amended in the same manner as the exercise price pursuant to the ASX Listing Rules.

### Termination

The Company and Dr Washer may terminate the Executive Services Agreement by either party giving 6 months written notice.



## Executive Services Agreement – Dr Ross Macdonald

### Term

Dr Macdonald's Executive Services Agreement is for a 24 month period expiring on 31 July 2015.

### Remuneration

A total employment cost (Salary)

1. Salary of \$60,000 per annum initially; or
2. Salary of \$120,000 per annum upon achievement of capital raising hurdles prescribed by the Board; or
3. Salary of \$300,000 per annum upon settlement of the Company's proposed acquisition of Cynata Incorporated and reinstatement to trading of the Company's quoted securities after re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

### Short Term Incentive

Dr Macdonald may be entitled to an annual performance bonus based on achievement of key performance indicators (KPIs) at the discretion of the Board.

### Unlisted Options

Subject to shareholder approval, the issue of 50,000,000 unlisted options to Dr Macdonald or his nominee, exercisable at \$0.02 each with an expiry date of 5 years after the date of issue and which will vest in the following manner:

25,000,000 on the date of issue;

15,000,000 subject to the volume weighted average price of Shares over a period of 10 consecutive trading days being at least \$0.04; and

10,000,000 subject to the volume weighted average price of Shares over a period of 10 consecutive trading days being at least \$0.06.

In the event of a reorganisation of the Company's listed capital the vesting price hurdle will be amended in the same manner as the exercise price pursuant to the ASX Listing Rules.

### Termination

The Company and Dr Macdonald may terminate the Executive Services Agreement by either party giving 6 months written notice.