



13 April 2010

ASX ANNOUNCEMENT: MANAGING DIRECTOR'S CONTRACT RENEWED

The Board of Thorn Group Limited ("Thorn") wishes to announce that Thorn and its Managing Director John Hughes have agreed a new Employment Agreement. John Hughes' salary will be increased in-line with CPI and he will be granted Long Term Incentives in the form of Performance Rights, vesting over 3 years (see below for more detail). Any short term incentives are at the discretion of the Board.

The new contract expires on 31 March 2013 and is cancellable by either party with 6 months notice.

Key Terms: Long Term Incentive

- Structure similar to the rights granted upon the IPO of Thorn end 2006
- Grant of Performance Rights in the value of \$900,000 (i.e. 815,291 Performance Rights based on a VWAP of the shares of the Company over the 5 trading days prior to grant, being \$1.1039 per share).
- Divided into three equal tranches (each a Tranche)
- Performance Rights will vest (i.e. become exercisable) at four dates, being 15 December 2010, 15 December 2011, 15 December 2012 and 15 May 2013 (each a Test Date)
- One Tranche will be eligible for vesting on each of the first three Test Dates
- Vesting of Performance Rights is subject to the TSR Ranking of the Company versus 20 comparable companies.
- Performance Rights that do not vest at the Test Date applicable to that Tranche will be carried forward and eligible for retesting
- Shares may be issued (subject to shareholder approval) or purchased on market.

For and on behalf of the Board

Peter Eaton
Company Secretary