

# Don Voelte, Sam Walsh join WAN

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Woodside boss Don Voelte and Rio Tinto Iron Ore CEO Sam Walsh are surprise additions to the board of West Australian Newspapers Holdings, while Channel Seven's Chris Wharton has been appointed as WAN's chief executive.

As expected, the board today elected Kerry Stokes as chairman of WAN, which publishes The West Australian newspaper.

Mr Wharton, who is understood to have worked closely with Mr Stokes, is currently managing director of Channel Seven Perth after starting a career as a journalist nearly three decades ago.

He was widely tipped to take the managerial directorship at WAN following the board upheaval last week when former chairman Peter Mansell and directors Mel Ward and Jenny Seabrook resigned.

Mr Wharton takes over from managing director and chief executive Ken Steinke, who also tendered his resignation last week. Mr Steinke had previously said he will continue with WAN for the transitional period of the new CEO.

Mr Wharton will start his new role on Monday.

The appointments of independent directors Mr Voelte and Mr Walsh bring the total number of board members to 6, including Peter Gammel, Doug Flynn and Graeme John, the managing director of Australia Post who was appointed last week.

Based on past practice, it is likely that Mr Wharton will be invited to join the board.

Shares in WAN were down 16 cents, or 3.36 per cent, at \$4.60 at 1339 AEDT.

**The announcements are pasted below:**

## **Appointment of Independent Directors & Chairman**

The Board of West Australian Newspapers Holdings Limited (WAN) today announced the appointment of two new independent directors, Mr Don Voelte and Mr Sam Walsh.

Mr Voelte is Managing Director and CEO of Woodside Petroleum Limited, a position he has held since 2004. Educated in the United States, he holds a degree in Civil Engineering and has more than 34 years global business experience.

Mr Walsh was appointed Chief Executive of the Rio Tinto's Iron Ore group in 2004. He joined Rio Tinto in 1991, following 20 years in the automotive industry at General Motors and Nissan Australia.

The new directors join Mr Graeme John, AO who was appointed to the Board last week. Mr John, the Managing Director of Australia Post since 1993, brings an industry-leading knowledge of distribution processes and systems, as well as general business skills and acumen, to the Board.

The three new Directors, with Mr Kerry Stokes, AC, Mr Peter Gammell and Mr Doug Flynn, constitute a Board with wide-ranging skills and business experience across a variety of industries, both globally and in Western Australia.

Following today's appointment the WAN Board comprises six non-executive directors, of which four are independent.

The full Board today also voted unanimously to appoint Mr Kerry Stokes AC as Chairman of the Board.

### **Appointment of Chief Executive Officer**

The Board of West Australian Newspapers Holdings Limited (WAN) today announced the appointment of Mr Chris Wharton as Chief Executive Officer.

Mr Wharton is currently the Managing Director of Channel Seven Perth, the highest rating television station in Australia. He joined Seven in Perth in 2000 from the Community Newspaper Group where he was Chief Executive Officer, for more than four years. Mr Wharton began his career as a journalist nearly three decades ago.

The Chairman of WAN, Mr Kerry Stokes AC, said, "Mr Wharton's broad media experience, his strategic thinking and his ability to build and lead a quality team of executives and staff will, I have no doubt, facilitate the continued growth of this unique and highly regarded West Australian business".

Mr Wharton's appointment followed a thorough selection and assessment process undertaken by the executive search firm SpencerStuart.

Mr Wharton will commence his new role on 15 December 2008.

The outgoing CEO, Mr Steinke, will remain with WAN until the commencement of Mr Wharton, and thereafter will be available, on an as needed basis, to facilitate a smooth transition.

Principal terms of Mr Wharton's employment contract are attached.

### **Summary of Employment Agreement**

Chris Wharton

The key terms of the employment agreement to be offered to Chris Wharton by West Australian Newspapers Holdings Limited are as follows:

#### Term of the contract

The agreement will be for successive periods of 12 months, unless notice of termination is given. Each 12 monthly renewal is subject to the agreement of remuneration.

#### Remuneration

Total cost of employment for the first year will be \$700,000. This includes the statutory superannuation entitlement.

#### Incentives

In addition, there will be incentives which are to be discussed and agreed along with the relevant KPIs at the first Board meeting in 2009 or in any event no later than 31 March 2009.

#### Items to be provided

A motor vehicle, laptop computer, mobile telephone and payment of home telephone expenses will be provided for business and reasonable personal use.

#### Notice of termination

There will be a 3 month no fault termination entitlement on either side. There are also the usual termination provisions relating to misconduct and non-performance.