

ASX/PNGX announcement



17 April 2020

ASX Markets Announcement Office
Exchange Centre
20 Bridge Street
Sydney NSW 2000

BY ELECTRONIC LODGEMENT

Annual General Meeting Documents:

- Notice of Meeting
- Sample Voting Forms (Australia and PNG)
- Shareholder Question Form
- Virtual AGM Online Guide

Please find attached for release to the market, the documents issued today to shareholders in relation to Kina Securities Limited's Annual General Meeting to be held as a Virtual AGM on Tuesday, 19 May 2020 (**AGM Documents**).

-ENDS-

The AGM Documents were authorised for release by Kina Securities Limited's Board of Directors.

For further information:

Greg Pawson
Chief Executive Officer and Managing Director
Email: greg.pawson@kinabank.com.pg

Chetan Chopra
Chief Financial Officer and Company Secretary
Email: Chetan.chopra@kinabank.com.pg

16 April 2020

Dear Shareholders,

On behalf of the Directors of Kina Securities Limited (Company Number: 1-10989 | ARBN 606 168 594) (**Kina** or the **Company**), I am pleased to invite you to attend Kina's 2020 Annual General Meeting (**AGM** or **Meeting**). Enclosed is the Notice of Meeting setting out the business of the AGM.

Kina's 2020 AGM will be held on **Tuesday, 19 May 2020** commencing at 8:00am (Port Moresby time) in the Kina Board Room, Level 9, Kina Bank Haus, Douglas Street, Port Moresby.

With the status of COVID-19 evolving by the day, the Board is very focused on the well-being and safety of our staff and that of our Registrar, Link Market Services, your directors, and our shareholders. **Accordingly, the Board has elected that no shareholders will be entitled to physically attend the AGM**, and only myself as Chairman of the Meeting, Mr Pawson, the Managing Director and Chief Executive Officer, and Mr Chetan Chopra, the Chief Financial Officer and Company Secretary, will physically be in attendance.

However, the Company is pleased it can use current technology to enable all shareholders to participate at the AGM online, through our Registrar, Link Market Services Limited's (**Link**) online platform at <https://agmlive.link/KSL20>. If participate in the meeting online, you will be able to view the AGM live and vote and ask questions online.

Further details on how to do, so are set out in the Notice of Meeting and Link's Online Platform Guide. The Online Platform Guide will be filed on the ASX and PNGX market announcement platforms and will also be available on the Company's website at <http://investors.kinabank.com.pg/investors/>. The Online Platform Guide will also provide details about how to ensure your browser is compatible with the online platform, and a step by step guide to successfully log in and navigate the site.

This technology facilitates online shareholder participation and is a way to increase investor engagement and encourage investor participation. Kina is looking forward to using this technology to engage with investors, regardless of the geographic locations of investors.

If you are unable to participate in the AGM via the online platform, I encourage you to complete and return the enclosed Voting Form no later than 8:00am (Port Moresby time) on Sunday, 17 May 2020 in one of the ways specified in the Notice of Meeting and Voting Form.

I also encourage you to read the enclosed Notice of Meeting (including the Explanatory Memorandum) and the Voting Form and consider directing your proxy how to vote in each resolution by marking either the "For" box, the "Against" box or the "Abstain" box on the Proxy Form.

Subject to the abstentions noted in the Explanatory Memorandum, the Directors unanimously recommend that Shareholders vote in favour of all resolutions.

Shareholders participating in the AGM via the online platform, will have the opportunity to submit questions to the Board, Senior Management and Kina's auditor during the AGM.

If you would like to ask a question prior to the AGM, please log onto www.linkmarketservices.com.au, select 'Voting' then click 'Ask a Question', or alternatively submit the enclosed AGM Question Form by 5:00pm (Port Moresby time) on Tuesday, 11 May 2020.

Thank you for your continued support of Kina and I look forward to your attendance or participation and the opportunity to engage with you.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Isikeli Taureka".

Isikeli Taureka
Chairman

Notice of Annual General Meeting

Kina Securities Limited (Company Number: 1-10989 | ARBN 606 168 594)

Notice is hereby given that the Annual General Meeting (**AGM** or **Meeting**) of Shareholders of Kina Securities Limited (**Kina** or the **Company**) will be held:

Date: Tuesday, 19 May 2020

Time: 8:00am (Port Moresby time)

Venue: Kina Board Room, Level 9, Kina Bank Haus, Douglas Street, Port Moresby

The Explanatory Memorandum attached to this Notice of Meeting, provides additional information on matters to be considered at the AGM and is hereby incorporated into and forms part of this Notice of Meeting.

GENERAL BUSINESS

To receive, consider, and accept the minutes of the previous Annual General Meeting dated 21 May 2019, as a correct record of the Meeting.

ORDINARY BUSINESS

Receipt of the financial statement and reports

To receive the 2019 Annual Report, including the Financial Statements, Directors' Report and Auditor's Report for the Company and its subsidiaries for the year ended 31 December 2019.

A copy of Kina's 2019 Annual Report can be downloaded on Kina's website at <http://investors.kinabank.com.pg/investors/?page=annual-reports>.

Resolutions

Resolution 1 Re-election of Director - Karen Smith-Pomeroy

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That Karen Smith-Pomeroy, who retires in accordance with Article 70.6 of the Constitution and being eligible, hereby offers herself for re-election, is re-elected as a Director of the Company."

Resolution 2 Appointment of Auditor

To consider and if thought fit, pass the following as an ordinary resolution of the Company:

*"That, in accordance with Section 190 of the Papua New Guinea Companies Act 1997 (**Companies Act**) and for all other purposes, Deloitte Touche Tohmatsu (**Deloitte**) be appointed as the Auditor of the Company commencing at the end of this Meeting until the next Annual General Meeting of the Company, and being eligible to do so, offer themselves for reappointment and that, in accordance with Section 191 of the Companies Act, the Directors be authorised to fix the remuneration and expenses of the Auditor."*

Resolution 3 Ratification of Placement

To consider and, if thought fit, pass the following as an ordinary resolution:

*"That, the Share Subscription Agreement dated 3 December 2019 between the Company and Asian Development Bank to issue up to a total of 10,751,916 fully paid ordinary shares in Kina Securities Limited (**Shares**) at an issue price of \$1.373 per Share, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice, is approved under and for the purposes of ASX Listing Rule 7.4 and PNGX Listing Rule 7.4."*

Voting Exclusion Statement

1. In accordance with ASX Listing Rule 14.11 and PNGX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:
 - a) Asian Development Bank, who participated in the above issue of Shares; or
 - b) an associate of Asian Development Bank.
2. However, this does not apply to a vote cast in favour of Resolution 3 by:
 - a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with directions given to the proxy or attorney to vote on Resolution 3 in that way; or
 - b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chairman of the Meeting to vote on Resolution 3 as the Chairman of the Meeting decides; or
 - c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 3; and
 - ii) the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4 Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2019

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of 187,550 Performance Rights under the Kina Performance Rights Plan - Short Term Incentive Award and 206,099 Performance Rights under the Kina Performance Rights Plan - Long Term Incentive Award to the Managing Director and Chief Executive Officer, Mr Gregory Pawson, for the financial year ended 31 December 2019, in accordance with the rules of the Kina Performance Rights Plan and on the terms described in the Explanatory Notes which forms part of this Notice of Meeting, is approved."

Resolution 5 Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2020

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of Performance Rights up to the value of A\$10,433 under the Kina Performance Rights Plan - Short Term Incentive Award and Performance Rights up to the value of A\$295,650 under the Kina Performance Rights Plan - Long Term Incentive Award to the Managing Director and Chief Executive Officer, Mr Gregory Pawson, for the financial year ending 31 December 2020, in accordance with the rules of the Kina Performance Rights Plan and on the terms described in the Explanatory Notes which forms part of this Notice of Meeting, is approved."

Voting Exclusion Statement

1. In accordance with ASX Listing Rule 14.11 and PNGX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolutions 4 and 5 by or on behalf of:
 - a) by any Director of the Company who is eligible to participate in the Kina Performance Rights Plan - Short Term Incentive Award or the Kina Performance Rights Plan - Long Term Incentive Award; or
 - b) an associate of that person (or those persons).

2. However, this does not apply to a vote cast in favour of Resolutions 4 and 5 by:
 - a) a person as proxy or attorney for a person who is entitled to vote on Resolutions 4 and 5, in accordance with directions given to the proxy or attorney to vote on Resolutions 4 and 5 in that way; or
 - b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolutions 4 and 5, in accordance with a direction given to the Chairman of the Meeting to vote on Resolutions 4 and 5 as the Chairman of the Meeting decides; or
 - c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolutions 4 and 5; and
 - ii) the holder votes on Resolutions 4 and 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6 Kina Performance Rights Plan

To consider and if thought fit, pass the following as an ordinary resolution of the Company:

"That for the purpose of ASX Listing Rule 7.2, exception 13 and all other purposes, the Kina Performance Rights Plan, as described in the Explanatory Memorandum which forms part of this Notice of Meeting, be approved for the issue of securities under the Kina Performance Rights Plan."

Voting Exclusion Statement

1. In accordance with ASX Listing Rule 14.11 and PNGX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:
 - a) any Director of the Company, except one who is ineligible to participate in any of the Company's employee incentive schemes; and
 - b) an associate of that person (or those persons).
2. However, this does not apply to a vote cast in favour of Resolution 3 by:
 - a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with directions given to the proxy or attorney to vote on Resolution 3 in that way; or
 - b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chairman of the Meeting to vote on Resolution 3 as the Chairman of the Meeting decides; or
 - c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 3; and
 - ii) the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7 Issue of Performance Rights under the Kina Performance Rights Plan

To consider and if thought fit, pass the following as an ordinary resolution of the Company:

"That for the purpose of ASX Listing Rule 10.14 and all other purposes, the issue of 897,350 Unquoted Performance Rights to Key Management Personnel under the Kina Performance Rights Plan, on the terms described in the Explanatory Memorandum which forms part of this Notice of Meeting, is approved."

Voting Exclusion Statement

1. In accordance with ASX Listing Rule 14.11 and PNGX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:
 - a) any KMP; and
 - b) an associate of that person (or those persons).
2. Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 7 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Kina Performance Rights Plan.
3. However, this does not apply to a vote cast in favour of Resolution 7 by:
 - a) a person as proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with the directions given to the proxy or attorney to vote on Resolution 7 in that way; or
 - b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman of the Meeting decides; or
 - c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 7; and
 - ii) the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.
4. In accordance with section 250BD of the *Corporations Act 2001 (Cth)* (**Corporations Act**), a vote must not be cast on Resolution 7 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

ANY OTHER BUSINESS

To consider any other business of the day.

VOTING PROCEDURES AT THE AGM

All resolutions will be by poll

In accordance with Article 55.3 of the Constitution, the Chairman intends to demand a poll on each of the resolutions proposed at the AGM. Each resolution considered at the AGM will therefore be conducted by a poll, rather than on a show of hands. The Chairman considers voting by poll to be in the interests of the shareholders as a whole and is a way to ensure the views of as many shareholders as possible are represented at the meeting.

Direct voting

In accordance with Article 55.3 of the Constitution, the directors:

- a) have determined that at the AGM, a shareholder who is entitled to attend and vote on a resolution at the AGM is entitled to a direct vote in respect of that resolution; and
- b) have approved the use of the Link's online platform as means by which shareholders may deliver their direct vote.

Casting your direct vote in real time using Link's online platform

To facilitate shareholder participation, and in accordance with his powers under Article 55.3 of the Constitution, the Chairman has determined that all shareholders will have the opportunity to participate in the AGM through Link's online platform at <https://agmlive.link/KSL20>, where all shareholders will be able to view the AGM live, lodge a direct vote in real time and ask questions online.

Shareholders attending the AGM using Link's online platform will not be entitled to the following rights of those shareholders attending the meeting:

- a) to be counted as attending or being present at the meeting for any purpose, including for the purpose of determining whether a quorum is present at the meeting;
- b) to request the Chairman under Clause 4(1) of Schedule 2 of the Companies Act to declare that a quorum is not present;
- c) to be entitled to join in the election of the Chairman under Clause 1(2) of Schedule 2 of the Companies Act in the case of a vacancy in the Chairman; or
- d) to be counted as part of the meeting for any consent sought by the Chairman (under Article 54.2 of the Constitution) to adjourn the meeting.

Eligibility to Vote

In accordance with Section 106 of the Companies Act and Article 59 of the Constitution, the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (Port Moresby time) on Sunday, 17 May 2020, being two days before date of Meeting, will be entitled to attend and vote at the AGM as a shareholder.

If more than one joint holder of shares is present at the AGM (whether online or by proxy) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

How to Vote

Direct vote - prior to the AGM

In accordance with Clause 5 of Schedule 2 of the Companies Act, shareholders will be able to vote directly on resolutions considered at the meeting **at any time between the date of this Notice of Meeting and 8.00am (Port Moresby time) on Sunday, 17 May 2020**. For details about how you can submit your Voting Form, please refer to the section below titled *Submitting your Voting Form prior to the AGM*.

Direct vote - during the AGM using Link's online platform

Shareholders participating in the meeting using Link's online platform at <https://agmlive.link/KSL20> will be able to vote directly **at any time between the commencement of the AGM (8:00am on Tuesday, 19 May 2020 (Port Moresby time)) and the closure of voting as announced by the Chairman during the AGM**.

More information regarding online participation at the AGM (including how to vote and ask questions online during the AGM) is available in the Online Platform Guide. The Online Platform Guide will be filed with the ASX and PNGX and will also be available on our website at www.kinabank.com.pg/investors/annualgeneralmeetings. To ensure your browser is compatible, please follow the instructions in the Online Platform Guide - we recommend confirming this prior to determining whether to participate in the AGM using Link's online platform.

If you lodge a direct vote you are voting directly and are not appointing a third party, such as a proxy, to act on your behalf.

Kina's Direct Voting Regulations governing direct voting are available on the Kina's website at <http://investors.kinabank.com.pg/investors/>. By submitting a direct vote, you agree to be bound by Kina's Direct Voting Regulations.

Appointment of Proxy

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with Clause 9 of Schedule 2 of the Companies Act to exercise its powers as proxy during the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

If you wish to appoint a proxy, please fill out, sign and return the attached Proxy Form as directed by the notes on the Proxy Form.

Submitting your Proxy Form prior to the AGM

To be effective, the Proxy Form must be received by the Company in the manner set out below.

The Chairman of the Meeting's decision on the validity of a direct vote or vote cast by a proxy, is conclusive and the Company reserves the right to declare invalid any Proxy Form not received in this manner.

For your proxy or direct vote prior to the AGM to be effective, your completed Voting Form must be received by Link no later than 8.00am (Port Moresby time) on Sunday, 17 May 2020. After this time, you will still be able to vote during the AGM by submitting your direct vote using Link Group's online platform.

Voting Forms must be received before that time by one of the following methods:

	Australia	PNG
By post:	Kina Securities Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia	Kina Securities Limited C/- PNG Registries Limited PO Box 1265 Port Moresby NCD Papua New Guinea
By facsimile:	+61 2 9287 0309	+675 321 6379
By delivery in person:	Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138	PNG Registries Limited Level 4, Cuthbertson House Cuthbertson Street Port Moresby NCD Papua New Guinea
Online:	www.linkmarketservices.com.au	brenda@online.net.pg

Power of Attorney

A Voting Form and the original Power of Attorney (if any) under which the Voting Form is signed (or a certified copy of that Power of Attorney or other authority) must be received by the Company no later than 8.00am (Port Moresby time) on Sunday, 17 May 2020, being 48 hours before the AGM.

Impact of your Proxy Appointment on your Proxy Voting Instructions

If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you do not direct your proxy how to vote on Resolutions 4, 5 and 6, then by submitting the proxy appointment you will be expressly authorising the Chairman to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

The Chairman's voting intentions

The Chairman intends to vote undirected proxies on, and in favour of, all the proposed resolutions.

Questions from Shareholders

Shareholders who are unable to attend the Meeting via the online platform, may prefer to register questions in advance, and are invited to do so. Please log onto www.linkmarketservices.com.au, select 'Voting' then click 'Ask a Question', or alternatively submit the enclosed **AGM Question Form**.

To allow time to collate questions and prepare answers, please submit any questions by 5:00pm (Port Moresby time) on Tuesday, 12 May 2020, (being no later than the fifth business day before the AGM is held).

Questions will be collated and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to Shareholders.

Conduct of the Meeting

Kina is committed to ensuring that its shareholder meetings are conducted in a manner which provides those shareholders (or their proxy holders) who participate in the AGM with the opportunity to participate in the business of the AGM in an orderly fashion and to ask questions about and comment on matters relevant to the business of the meeting or about Link Group generally.

Kina will not allow conduct at any meeting which is discourteous to those who are participating in the meeting, or which in any way disrupts or interferes with the proper conduct of the meeting. The Chairman of the Meeting will exercise his powers as the Chair to ensure that the Meeting is conducted in an orderly and timely fashion, in the interests of shareholders who are participating in the Meeting.

Enclosures

Enclosed are the following documents:

- a *Voting Form* to be completed if you would like to be represented at the AGM by a proxy. Shareholders are encouraged to use the online voting facility that can be accessed on Kina Securities Limited's share registry's website at www.linkmarketservices.com.au to ensure the timely and cost effective receipt of your Proxy Form;
- an *AGM Question Form* to be completed if you would like a specific question to be addressed by the Chairman of the Meeting or Deloitte (our external auditor) at the AGM; and
- a *Reply Paid Envelope* for you to return either or both the Proxy Form and AGM Question Form.

By order of the Board of Directors



Chetan Chopra
Company Secretary

16 April 2020

Explanatory Memorandum

This Explanatory Memorandum has been prepared to assist shareholders of the Company (**Shareholders**) in considering each of the Resolutions set out in the Company's Notice of Annual General Meeting. This Explanatory Memorandum forms part of the Company's Notice of Annual General Meeting to be held on Tuesday, 19 May 2020 at 8:00am (Port Moresby time).

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the Resolutions. The Company's Notice of Annual General Meeting and this Explanatory Memorandum should be read in their entirety and in conjunction with each other.

Subject to the abstentions noted below, the Directors unanimously recommend Shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each Resolution.

Each of the Resolutions are Ordinary Resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the Resolution.

BACKGROUND TO THE ITEMS OF BUSINESS

ORDINARY BUSINESS

Receipt of the financial statements and reports

The 2019 Annual Report, including the Financial Statements, Director's Report and the Auditor's Report included in the 2019 Annual Report (**Reports**), for the Company and its subsidiaries for the year ended 31 December 2019 are attached to this Explanatory Memorandum for the shareholders to read prior to the meeting. A copy of Kina's 2019 Annual Report can be downloaded on Kina's website at: <http://investors.kinabank.com.pg/investors/?page=annual-reports>.

Neither the Companies Act nor the Company's Constitution requires Shareholders to vote on the Reports. However, Shareholders will be given a reasonable opportunity to ask questions on the Reports at the Meeting.

Following consideration of the Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about, or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- a) the conduct of the audit;
- b) the preparation and content of the Independent Auditor's Report;
- c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d) the independence of the Auditor in relation to the conduct of the audit.

In addition to asking questions during the Meeting, Shareholders may address written questions to the Chairman of the Meeting about the management of the Company or to the Company's Auditor, Deloitte, using the enclosed AGM Question Form.

Shareholders must submit their written question(s) to the Company or to Deloitte, by 5:00pm (Port Moresby time) on Tuesday, 12 May 2020, (being no later than the fifth business day before the AGM is held, to the address listed on the Proxy Form attached to this Notice of Meeting.

The Chairman will give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of any relevant written questions submitted by shareholders will be made available at the Registration Desk prior to the start of the AGM, and any written answer tabled by the Auditor at the AGM will be made available to all Shareholders on the ASX and PNGX Announcements Platforms, as soon as practicable after the conclusion of the Meeting.

Resolutions

Resolution 1 Re-election of Director - Karen Smith-Pomeroy

General

In accordance with ASX Listing Rule 14.4, PNGX Listing Rule 14.4 and Article 70.6 of the Constitution, a director must not hold office (without re-election) past the third annual general meeting of Shareholders following the director's appointment or three years, whichever is longer. A director who retires in accordance with these requirements is eligible for re-election. If Shareholders do not approve the re-election of Ms Smith-Pomeroy, then she will cease to be a Director of the Company at the conclusion of the AGM.

Director Profile

Karen Smith-Pomeroy was appointed as a Non-Executive Director of the Company on 12 September 2016, pursuant to Article 70.5 of the Constitution. In accordance with Article 70.6 of the Constitution, Ms Smith-Pomeroy will retire from office at the conclusion of the AGM and is eligible for re-election as a Director of the Company.

The Board considered whether Ms Smith-Pomeroy had any interest, position or relationship that may interfere with each of her independence as a Director, having regard to the relevant factors as set out in the ASX Corporate Governance Council Principles & Recommendations (3rd edition) (**ASX Principles**). The Board considers that Ms Smith-Pomeroy (if re-elected), will continue to be an independent Director.

Ms Smith-Pomeroy is an experienced Non-Executive Director, with roles spanning a number of industry sectors. She has many years' experience as an executive in the financial services sector in Australia, working in a major Australian bank and a large regional bank. Karen spent five years as Chief Risk Officer for Suncorp Bank.

Ms Smith-Pomeroy has specific expertise in risk and governance, deep expertise in credit risk and specialist knowledge of a number of industry sectors.

Ms Smith-Pomeroy is Chair of the Audit & Risk Committee and a member of the Disclosure Committee and the Remuneration and Nomination Committee.

Ms Smith-Pomeroy is currently a Non-Executive Director of Infigen Energy Limited and InFocus Wealth Management Limited and holds other directorships in government and private entities.

Ms Smith-Pomeroy holds the following qualifications: ADip Accounting, FIPA, GAICD and FFin.

Prior to submitting herself for re-election, Ms Smith-Pomeroy has confirmed that she would continue to have sufficient time to properly fulfil her duties and responsibilities to the Company.

The Board supports the re-election of Karen Smith-Pomeroy as she will continue to contribute to the Board, significant experience in the areas of banking and financial services, risk and compliance, leadership and commercial and financial acumen, and governance.

For the reasons set out above, the Directors, with Ms Smith-Pomeroy abstaining, unanimously recommend Shareholders vote in favour of Resolution 1.

Resolution 2 Appointment of Auditor

This resolution is to appoint the Company's Auditor, Deloitte Touche Tohmatsu, to hold office from the conclusion of this Meeting until the conclusion of the Company's next Annual General Meeting, and to authorise the Directors to fix the fees and expenses of the Auditor, and is formally put to shareholders, in accordance with Sections 190 - 191 of the Companies Act.

The Directors unanimously recommend Shareholders vote in favour of Resolution 2

Resolution 3 Ratification of Placement

On 3 December 2019, the Company announced that it had completed a placement of new shares, in accordance with section 43 of the Companies Act, under a *Share Subscription Agreement* dated 3 December 2019, between the Company and Asian Development Bank, to issue up to a total of 10,751,916 new fully paid ordinary shares in Kina Securities Limited (**Shares**) at an issue price of A\$1.373 per Share, raising approximately A\$14.8 million (**Placement**).

ASX Listing Rule 7.1 and PNGX Listing Rule 7.1 prohibit the Company (subject to certain exceptions such as pro-rotta issues) from issuing or agreeing to issue equity securities (such as Shares and Options) representing more than 15% of the Company's total issued securities, during a rolling 12-month period, without Shareholder approval (**15% Threshold**).

ASX Listing Rule 7.4 and PNGX Listing Rule 7.4 provide that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 and PNGX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1 and PNGX Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1 and PNGX Listing Rule 7.1.

The Placement was made within the 15% Threshold permitted under ASX Listing Rule 7.1 and PNGX Listing Rule 7.1 without shareholder approval. Accordingly, the Company is seeking approval of Resolution 3 for the purposes of ASX Listing Rule 7.4 and PNGX Listing Rule 7.4 to enable the Company to refresh its issuing capacity under ASX Listing Rule 7.1 and PNGX Listing Rule 7.1, thereby providing the Company with the flexibility to issue equity securities in the future up to the 15% Threshold set out in ASX Listing Rule 7.1 and PNGX Listing Rule 7.1, without the requirement to obtain prior Shareholder approval if the need arises in the next 12 months.

If Shareholders approve Resolution 3, the issue will be excluded in calculating Kina's 15% limit in ASX Listing Rule 7.1 and PNGX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue of the Shares.

If shareholders do not approve Resolution 3, the issue will be included in calculating Kina's 15% limit in ASX Listing Rule 7.1 and PNGX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the issue of the Shares.

For the purposes of ASX Listing Rule 7.5 and PNGX Listing Rule 7.5, the following information is provided:

- a) The Placement Shares were issued to Asian Development Bank, an international financial institution established by the *Agreement Establishing the Asian Development Bank (ADB Charter)*, and is an international resident investor, having its principal office of business at 6 ADB Avenue, Mandaluyong City, Metro Manila 1550 Philippines.
- b) 10,751,916 fully paid ordinary shares (**Shares**) were issued under the Placement on 6 December 2019 at a price of A\$1.373 per Share and rank equally with all other existing Shares.

- c) the Placement funds will be used to continue to grow Kina's small and medium-sized enterprise (**SME**) and retail segments and build its digital capabilities enabling Kina to offer broader product mix including trade finance products to SMEs.
- d) the Shares were issued pursuant to Kina's 15% placement capacity in accordance with ASX Listing Rule 7.1.
- e) the material terms of the Share Subscription Agreement are as follows:
 - i) **Exchange Rate** means the rate of exchange from USD to AUD as determined by reference to the Reserve Bank of Australia's page "Exchange Rates" being the table entitled "Units of Foreign Currencies per Australia Dollar" at that time.
 - ii) **Subscription Amount** means the AUD equivalent of USD10,000,000 to be converted to AUD at the Exchange Rate on the date of this document and rounded up to the nearest full cent.
 - iii) **Subscription Price** means, for each Subscription Share, the lower of:
 - (a) AUD1.400; and
 - (b) 0.975 multiplied by the 30-day volume weighted average price of Shares trading on ASX as calculated using the "VWAP" function on the Bloomberg Terminal for KSL AUD Equity screen, for the 30 trading day period ending the day prior to the date of this document, rounded to four decimal places.
 - iv) **Subscription Shares** means the number of fully paid Shares (rounded up or down to the nearest share) as calculated in accordance with the following formula:

$$\text{Subscription Shares} = \frac{\text{Subscription Amount}}{\text{Subscription Price}}$$

- f) a Voting Exclusion Statement accompanies Resolution 3 in the Notice of Meeting.

The Directors unanimously recommend Shareholders vote in favour of Resolution 3

Resolution 4 **Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2019**

Resolution 5 **Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2020**

Shareholders are asked to vote on whether Mr Pawson, the Company's Managing Director and Chief Executive Officer (**MD & CEO**), should receive Performance Rights as part of his remuneration for the financial year ended 31 December 2019 and the financial year ending 31 December 2020.

The Board believes that the MD & CEO's remuneration should be aligned to the long-term interests of shareholders. Accordingly, the Board believes that the MD & CEO should maintain a shareholding in Kina and that part of his remuneration should be in the form of equity that vests if certain conditions or hurdles are achieved.

The proposed awards of Performance Rights will be made under the Kina Performance Rights Plan - Short Term Incentive (**STI**) Award and the Kina Performance Rights Plan - Long Term Incentive (**LTI**) Awards (collectively, the **Plan**). The terms of the Plans are set out in Kina's Prospectus lodged with the ASX on 29 July 2015 and are summarised at a high level in this Explanatory Memorandum.

Each Right represents a right to be issued an ordinary share in the Company (**Share**) at a future point in time subject to the satisfaction of any conditions relating to vesting, performance hurdles and/or exercise. Awards under the Plan are expressed as a number of Performance Rights to acquire a certain number of Shares (generally on a one for one basis).

Why is Shareholder approval being sought?

Shareholder approval is being sought to satisfy ASX Listing Rule 10.14 and PNGX Listing Rule 10.14, which requires shareholder approval if a director is issued securities under an employee incentive scheme.

Accordingly, before any securities may be granted to the MD & CEO, the grants must first be approved by shareholders.

Further details of Mr Pawson's remuneration package are set out in the Remuneration Report contained in the Company's 2019 Annual Report, and available on Kina's website at

<http://investors.kinabank.com.pg/investors/?page=annual-reports>.

Proposed grant of Performance Rights

FY2019 - STI

The Board determined Mr Pawson's FY2019 STI Award, based on the performance of the Company and Mr Pawson for the financial year ended 31 December 2019 (**FY2019**). Mr Pawson is eligible for a STI Award of up to 150% of his annual salary. It is intended that Mr Pawson's FY2019 STI Award will be issued as 65% cash and 35% Performance Rights, subject to shareholder approval. The Board has assessed that based on the performance of the Company and Mr Pawson for FY2019, he will be awarded a STI Award of 130% of his base salary, being \$768,690, which will be paid as \$499,649 in cash and \$269,042 in Performance Rights, subject to shareholder approval.

Accordingly, shareholder approval is sought for the issuance of 187,550 Performance Rights (being Mr Pawson's FY2019 STI Performance Rights Award of AUD\$269,042, divided by the issue price of \$1.43 per share, being the 10 trading day volume weighted average price of Kina Shares up to 31 December 2019).

FY2019 - LTI

Mr Pawson is eligible for a LTI Award of up to 50% of his annual salary. The Board has assessed that based on the performance of the Company and Mr Pawson for FY2019, he will be awarded a LTI of 50% of his base salary, being \$295,650.

Accordingly, shareholder approval is sought for the issuance of 206,099 (being Mr Pawson's FY2019 LTI Performance Rights Award of AUD\$295,650, divided by the issue price of \$1.43 per share, being the 10 trading day volume weighted average price of Kina Shares up to 31 December 2019).

FY2020 - STI

The Board will determine Mr Pawson's FY2020 STI Award based on the performance of the Company and Mr Pawson for the financial year ending 31 December 2020 (**FY2020**). Mr Pawson is eligible for a STI Award of up to 150% of his annual salary. It is intended that Mr Pawson's FY2020 STI Award will be issued as 65% cash and 35% Performance Rights, subject to shareholder approval.

Accordingly, shareholder approval is sought for the issuance of Performance Rights up to the value of AUD\$310,433 (the actual number of Performance Rights to be allocated will be determined by dividing this amount by the 10 trading day volume weighted average price of Kina Shares up to 31 December 2020).

FY2020 - LTI

Mr Pawson is eligible for a LTI Award of up to 50% of his annual salary. The actual Award under the LTI Plan is yet to be determined but the maximum potential amount for award to Mr Pawson is AUD\$295,650. The method to be used to determine the actual award is set out below under *Long Term Incentive*.

Accordingly, shareholder approval is sought for the issuance of Performance Rights up to the value of AUD\$295,650 (the actual number of Performance Rights to be allocated will be determined by dividing the amount by the 10 trading day volume weighted average price of Kina shares up to 31 December 2020).

It is common practice for ASX and PNGX Listed companies to seek approval for grants to be awarded to Directors prior to the end of the relevant financial year, in order to incentivise key executives for the following financial year. Accordingly, Kina is seeking approval for the award of Performance Rights to Mr Pawson for the period ending 31 December 2020.

Short Term Incentive

Performance Hurdles for the STI

Mr Pawson's potential STI Award is determined based on a number of financial and non-financial key performance indicators (**KPIs**). These include, achievement against the Board approved budget for the Performance Period, specific targets for net interest margins, income expense ratios, and growth in various parts of the business. Mr Pawson's performance is also measured against the Group's ability to comply with legislative and regulatory requirements set by the Bank of Papua New Guinea.

Performance Periods

The Performance Period for the FY2019 STI Award was 1 January 2019 to 31 December 2019 inclusive.

The Performance Period for the FY2020 STI Award is 1 January 2020 to 31 December 2020 inclusive.

At the end of the relevant Performance Period, the Board determines the amount of Performance Rights that will be issued for that period. The number of Performance Rights to be allocated is then determined by dividing the monetary amount of Performance Rights by the 10 trading day volume weighted average price of Kina Shares up to 31 December for each Performance Period. The Performance Rights are subject to vesting conditions, as set out below.

The Board has assessed that based on the performance of the Company and Mr Pawson for FY2019, he will be awarded a STI Award of 130% of his base salary, being \$886,950, which will be paid as \$499,649 in cash and \$269,042 in Performance Rights, subject to shareholder approval.

Vesting conditions

Performance Rights granted under the STI Award have a vesting period of two years from grant date. Vesting is conditional on the recipient remaining in employment for the two-year period.

Long Term Incentive

Performance Hurdles for the LTI

The Performance Rights are subject to two separate performance hurdles:

Earnings per share hurdle	Relative total shareholder return hurdle
50% of the Performance Rights	50% of the Performance Rights
Earnings per share growth targets (EPS Hurdle) for the relevant Performance Period are met	Total Shareholder Return targets (TSR Hurdle) for the relevant Performance Period are met

The EPS Hurdle and TSR Hurdle are considered appropriate measures of performance as they are intended to drive longer-term company performance.

EPS Hurdle

The EPS Hurdle has been determined with reference to the macroeconomic environment, relevant benchmarks and the Company's strategy.

No Performance Rights will vest if the compound annual growth rate is below 5%.

The EPS Hurdle for the Performance Period will be determined in accordance with the principles set out in the table below:

EPS Performance	Vesting outcome
<5% compound annual growth of EPS	Nil vesting
5%	50% vesting
>5% and <10%	Pro-rata between 50% to 100%
10%	100% vesting

TSR Hurdle

50% of the Performance Rights will be subject to a relative TSR Hurdle, which compares the TSR performance of the Company with each of the entities in a comparator group within the S&P/ASX200 as determined by the Board.

In order for the Performance Rights to vest, the TSR of the Company is compared to a custom peer group of directly comparable companies. The group of companies is selected based on their operations in a similar industry and with a similar market capitalisation. The TSR of each of the entities in the comparator group will be measured from the start of the relevant Performance Period to the end of the Performance Period.

The TSR Hurdle for the Performance Period will be determined in accordance with the principles set out in the table below:

Relative TSR Performance	Vesting outcome
Below 50 th percentile	Nil vesting
At 50 th percentile	50% vesting
Between 50 th and 75 th percentiles	Pro-rata between 50% to 100%
Above 75 th percentile	100% vesting

Performance Periods

The Performance Period for the FY2019 is 1 January 2019 to 31 December 2021 inclusive.

The Performance Period for the FY2020 is 1 January 2020 to 31 December 2022 inclusive.

The Board has assessed that based on the performance of the Company and Mr Pawson for FY2019, he will be awarded a LTI Award of 50% of his base salary, being \$295,650.

Vesting conditions

Performance Rights granted under the LTI Award have a vesting period of three years from grant date. Vesting is conditional on the recipient remaining in employment for the three-year period.

Further information

ASX Listing Rule 10.14 and PNGX Listing Rule 10.14, provide that a listed company may only permit a director to acquire shares or rights to shares under an employee incentive scheme where that director's participation has been approved by an ordinary resolution of shareholders.

Details of any securities issued under the Plan will be published in the Annual Report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.

In accordance with the ASX and PNGX Listing Rules, the following information is provided:

1. The maximum number of Performance Rights which may be issued to Mr Pawson will be determined as follows:
 - a) FY2020 STI Award - the maximum value of Performance Rights is AUD\$310,433 (the actual number of Performance Rights to be allocated will be determined by dividing the amount by the 10 trading day volume weighted average price of Kina Shares up to 31 December 2020); and
 - b) FY2020 LTI Award - the maximum value of Performance Rights is AUD\$295,650 (the actual number of Performance Rights to be allocated will be determined by dividing the amount by the 10 trading day volume weighted average price of Kina shares up to 31 December 2020).
2. The Performance Rights will be allocated at no cost to Mr Pawson and the Board has determined that no amount is payable by Mr Pawson on the vesting of each Performance Right or exercise of any Performance Rights granted under the Plans.
3. Upon satisfaction of the performance hurdles/vesting conditions set by the Board, the Performance Rights will vest and shares will be allocated or issued on a one-for-one basis.
4. There are no loans to be granted to Mr Pawson in connection with his participation in either the Kina Performance Rights Plan - STI Award or the LTI Award.
5. Mr Pawson is the only director of Kina entitled to participate in the Plan. If shareholders vote in favour of Resolutions 4 and 5, no additional director who becomes entitled to participate in the Plan will participate until approval is obtained under ASX Listing Rule 10.14 and PNGX Listing Rule 10.14.
6. If shareholder approval is obtained, the issue of Performance Rights (and the Shares underlying the Performance Rights) will be approved for the purposes of all applicable requirements under the ASX and PNGX Listing Rules and all other purposes.
7. Kina will issue the Performance Rights to be granted for FY2020 no later than 12 months after the 2020 AGM, that is by 19 May 2021.
8. Approval of Resolutions 4 and 5 will result in the grant of Performance Rights to Mr Pawson falling within ASX Listing Rule 7.2, exception 14. If approval is given for the issue of securities under ASX & PNGX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.
9. A voting exclusion applies to these Resolutions, as set out in the Notice of Meeting.

The Directors, with Mr Pawson abstaining, unanimously recommend Shareholders vote in favour of Resolutions 4 and 5.

Resolution 6 Kina Performance Rights Plan

The following information is provided for the purpose of ASX & PNGX Listing Rule 7.2, exception 13. A voting exclusion statement is included in the Notice of Meeting accompanying this Explanatory Memorandum.

The ASX & PNGX Listing Rules

The ASX & PNGX Listing Rules generally restrict listed companies from issuing more than 15% of their issued share capital in any 12-month period without shareholder approval. However, there are exceptions to this restriction, one of which states that general Listing Rule requirements for shareholder approval will not apply to an issue under an employee incentive scheme if, within three years before the date of the issue, shareholders approve the issue of securities under the scheme as an exception to the rule.

If the Kina Performance Rights Plan (**Plan**) is approved by shareholders, issues under the Plan over the next three years will fall under this ASX & PNGX Listing Rule exception and will not affect the Company's ability to separately issue up to 15% of its total ordinary securities in any 12-month period (without having to obtain further shareholder approval). However, the exception does not apply to Directors and their associates, who are deemed related parties of the Company, and issues to such persons will require separate approval under ASX & PNGX Listing Rule 10.14.

Purpose of the Kina Performance Rights Plan

The Kina Performance Rights Plan was established and approved as part of the listing of Kina in July 2015. The purpose of the Rights Plan is to:

- a) assist in the reward, retention and motivation of Eligible Participants; and
- b) align the interests of Eligible Participants with shareholders of the Group.

Terms of the Kina Performance Rights Plan

The terms of the Kina Performance Rights Plan are set out in the Plan Rules. The key elements of the Kina Performance Rights Plan (**Plan**) are as follows:

Eligibility	Participants must be a permanent full-time or part-time employee or Executive Director of Kina or any of its subsidiaries and has been determined by the Board to be eligible to participate in the Plan from time to time (Eligible Participant).
Offers	Under the rules of the Plan, Performance Rights may be offered to Eligible Participants from time to time. The number of Performance Rights the subject of an offer under the Plan will be determined by the Board (acting on the advice of the Remuneration and Nomination Committee).

Terms and conditions	<p>The Board has the absolute discretion to determine the terms and conditions applicable to an offer under the Plan, including:</p> <ul style="list-style-type: none"> ▪ any conditions required to be satisfied before Performance Rights will be granted; ▪ any performance, vesting or other conditions required to be satisfied before Performance Rights vest and may be exercised (Vesting Conditions); ▪ any period during which Vesting Conditions must be satisfied before Performance Rights vest (Vesting Period); ▪ the exercise period during which Performance Rights may be exercised, subject to the terms of the Plan and the offer (Exercise Period); ▪ any applicable issue price and/or exercise price; ▪ any disposal restrictions on Shares to be issued or transferred upon the exercise of Performance Rights; and ▪ any other specific terms and conditions applicable to the offer. <p>The specific terms and conditions applicable to an offer must be set out in the offer invitation.</p>
Performance Rights	<p>Each Performance Right confers on its holder the entitlement to receive one Share (by way of issue or transfer) at the exercise price (if any) upon the exercise of the Performance Right.</p>
Ranking of Shares	<p>Shares issued upon vesting and or exercise of Performance Rights under the Plan will rank equally in all respects with Existing Shares.</p>
Forfeiture of Performance Rights	<p>Performance Rights which are subject to Vesting Conditions (Unvested Performance Rights) may be forfeited:</p> <ul style="list-style-type: none"> ▪ if the Board determines that any Vesting Condition applicable to the Performance Right has not been satisfied in accordance with its terms or is not capable of being satisfied; ▪ in certain circumstances if the participant's employment is terminated (Cessation of Employment); or ▪ in other circumstances specified in the Plan rules (e.g., where the Board determines that the participant has committed an act of fraud or gross misconduct in relation to the affairs of Kina).
Rights attaching to Performance Rights	<p>The Performance Rights do not carry rights to dividends or voting rights prior to exercise.</p>
Capital reconstructions	<p>In the event of a capital reconstruction, subject to the ASX Listing Rules, the Board may determine the manner in which any or all of the Performance Rights will be dealt with.</p>

Vesting and exercise of Performance Rights	<p>If Performance Rights are offered subject to Vesting Conditions, Kina must give the participant a vesting notice upon such conditions having been satisfied or waived by the Board.</p> <p>Subject to any Vesting Conditions having been satisfied or waived, a Performance Right may be exercised in accordance with the relevant Eligible Participant's invitation and paying the exercise price (if any).</p>
Lapse of Performance Rights	<p>Unless otherwise specified in the Vesting Conditions or otherwise determined by the Board, a Performance Right will lapse on the earliest of:</p> <ul style="list-style-type: none"> ▪ if the Board determines that any Vesting Condition applicable to the Performance Right has not been satisfied in accordance with its terms or is not capable of being satisfied; ▪ the expiry of the exercise period (if any); ▪ in certain circumstances if the participant's employment is terminated (Cessation of Employment); ▪ in other circumstances specified in the Plan rules (e.g. where the Board determines that the participant has committed an act of fraud or gross misconduct in relation to the affairs of Kina); or ▪ if the participant purports to deal in the Performance in breach of any disposal or hedging restrictions in respect of the Performance Right.
Restrictions on Performance Right	<p>Except as permitted by the Board, Performance Rights must not be sold, transferred, encumbered or otherwise dealt with.</p> <p>If restricted by applicable law, a participant may not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure to, any Performance Rights.</p>
Waiver of vesting conditions	<p>The Board has the discretion to reduce or waive a Vesting Condition attaching to an award of Performance Rights in whole or in part at any time.</p>
New issues	<p>A participant holding Performance Rights is not entitled to participate in any new issue of securities.</p>
Bonus issues, pro-rata issues and capital reorganisations	<p>The Plan provides for adjustments to be made to the number of Shares which an Eligible Participant would be entitled to receive on the exercise of Performance Rights or the exercise price (if any) of the Performance Rights in the event of a bonus issue or pro-rata issue to existing holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) or a reorganisation of capital.</p>
Winding up	<p>If a resolution for a voluntary winding up of Kina is proposed, the Board may, in its absolute discretion, determine the manner in which any or all of the participant's Performance Rights will be dealt with.</p>
Cessation of employment	<p>The Plan contains certain provisions concerning the treatment of vested and unvested Performance Rights in the event that a participant ceases employment.</p>

Change of control	In the event of a change of control, the Board may, in its absolute discretion, determine the manner in which any or all of the participant's Performance Rights will be dealt with.
Quotation	Performance Rights will not be quoted on the ASX or PNGX. Subject to the ASX and PNGX Listing Rules, Kina will apply to the ASX and PNGX for the official quotation of any Shares issued to participants for the purposes of the Plan.
Trustee	Kina may appoint a trustee to acquire and hold Shares or Performance Rights (including unvested Performance Rights) on behalf of participants, for transfer to future participants or otherwise for the purposes of the Plan.
Plan limit and compliance with laws	No Performance Rights may be issued to, or exercised by, a participant if to do so would contravene the Australian Corporations Act, the PNG Companies Act, the PNG Securities Act, the ASX Listing Rules, the PNGX Listing Rules or any relief or waiver granted by ASIC, the Registrar, ASX or PNGX that binds Kina in making any offer under the LTI Plan or otherwise in connection with the operation of the Plan. No Performance Rights may be offered under the Plan if to do so would breach the 5% capital limit on the issue of shares set out in ASIC Class Order 14/1000 in relation to employee share schemes.
Amendments	Subject to the ASX Listing Rules and PNGX Listing Rules, the Board may, in its absolute discretion, amend the Plan rules, or waive or modify the application of the Plan rules in relation to a participant, provided that (except in specified circumstances) if such amendment would adversely affect the rights of participants in respect of any Performance Rights then held by them, the Board must obtain the consent of all participants who hold those Performance Rights before making the amendment.

The number of securities issued under the Plan since Listing

The Plan has not been approved by shareholders since the date of the Company's Listing on 30 July 2015, and the terms of which were set out on pages 38 to 42 of the Prospectus, dated 2 July 2015. Since that date, the Company has issued:

- 5,034,022 Performance Rights (of which 1,212,156 have vested and 536,632 have been forfeited); and
- 1,045,450 Shares (on vesting of Performance Rights).

There is no limit on the number of securities that can be issued under the Plan, however, on an annual basis, it is not anticipated that this would exceed more than 2.0 million, excluding any securities to be issued to the CEO, for which shareholder approval would be sought.

The Directors unanimously recommend Shareholders vote in favour of Resolution 6.

Resolution 7 Issue of Performance Rights under the Kina Performance Rights Plan

As noted above, the Company has not sought re-approval of the Kina Performance Rights Plan (**Plan**) since listing of the Company on 30 July 2015, and this has been addressed by Resolution 6 above, and requires shareholder approval for the issue of any securities under the Plan.

The Company is proposing to issue 897,350 Performance Rights under the Plan (**Issue**), to the following members of the Company's senior executive team, who are considered by the Board to be the Key Management Personnel (**KMP**) of the Company, as part of their Short Term Incentive (**STI**) and Long Term Incentive (**LTI**) Awards for the financial year ended 31 December 2019 (**Eligible Participants**):

Name of Eligible Participant	Number of Performance Rights to be Issued
Chetan Chopra	230,000
Michael Van Dorssen	162,000
Deepak Gupta	148,750
Adam Downie	132,000
Nathan Wingti	97,000
Gavin Heard	89,100
Ivan Vidovich	38,500
Total	897,350

ASX Listing Rule 10.14 requires shareholder approval by ordinary resolution before any of the following persons can be issued securities under a listed entity's employee incentive scheme:

- a director;
- an associate of a director; or
- a person whose relationship with the listed entity, or the entity's directors or their associates is such that in the ASX's opinion, the acquisition of securities should be approved by shareholders.

As each of the Eligible Participants are members of the Company's senior executive team, and are considered by the Board to be the KMP of the Company, Resolution 7 seeks shareholder approval for the Issue to the Eligible Participants. Specific details of the proposed Issue are set out below.

If shareholders approve Resolution 7, the Company will be able to proceed with the Issue to the Eligible Participants, on the terms and conditions as set out in this Notice.

If shareholders do not approve Resolution 7, the proposed Issue to the Eligible Participants, the Issue will not proceed, and the Board would need to consider alternative remuneration arrangements. However, to ensure Kina can attract and retain the right talent and align the Company's KMP with those of shareholders, the Board considers it is important for Kina to offer incentives to its senior executives that are in line with market practice.

Additional Information

For the purposes of ASX Listing Rule 10.15, the following additional information is provided for shareholders.

- the Eligible Participants are members of the Company's KMP, and accordingly, shareholder approval for each of the Eligible Participants to acquire equity securities under the Plan, is required.
- the number of Performance Rights to be issued to the Eligible Participants at \$nil cost since listing of the Company on 30 July 2015 are as follows:

Name	Awards Granted	Awards Vested	Converted to Shares	Lapsed / Forfeited	Current Balance
Chetan Chopra	517,488	82,334	8,138	63,165	446,185
Michael Van Dorssen	548,506	193,255	96,577	85,646	366,283
Deepak Gupta	357,045	58,995	3,488	45,479	308,078
Adam Downie	-	-	-	-	-
Nathan Wingti	119,798	37,953	17,942	12,991	88,865
Gavin Heard	-	-	-	-	-
Ivan Vidovich	-	-	-	-	-

- the current total remuneration package for each Eligible Participant comprises:

Name	Fixed base salary	Variable STI	Variable LTI	Total
Chetan Chopra	400,000	200,000	160,000	760,000
Michael Van Dorssen	400,000	120,000	120,000	640,000
Deepak Gupta	350,000	125,000	105,000	580,000
Adam Downie	300,000	120,000	90,000	510,000
Nathan Wingti	230,000	140,000	48,000	418,000
Gavin Heard	220,000	66,000	66,000	352,000
Ivan Vidovich	375,000	110,000	0	485,000

Further information regarding the remuneration of each Eligible Participant is set out in the Company's Remuneration Report which forms part of the 2019 Annual Report.

- The Performance Rights are not quoted on the ASX and carry no voting or dividend rights. Shares issued on vesting of the Performance Rights will rank equally with ordinary shares on issue. Performance Rights are considered by the Board to be an appropriate equity security under the Plan, as the vesting of those Performance Rights link directly to vesting conditions to be satisfied before fully paid ordinary shares are issued.
- The Performance Rights will be issued to each Eligible Participant on or about the date of the AGM, held annually in May, but in any event no later than 3 years after the date of the meeting. In relation to the 897,350 Performance Rights for which shareholder approval is being sought, that would be no later than 19 May 2023.
- The issue price for the Performance Rights is nil and no money is payable by an Eligible Participant for a Share on the vesting of a Performance Rights.
- The terms of the Plan are set out in the Plan Rules. The key elements of the Plan are set out above on pages 16 to 19 inclusive.
- No loans will be made in relation to the acquisition of the Performance Rights or Shares by an Eligible Participant.
- Details of any securities issued under the Plan will be published in Kina's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after this Resolution 7 is approved and who are not named in this Notice will not participate until approval is obtained.
- A voting exclusion statement is set out in the Notice.

ASX Listing Rule 7.1 imposes a 15% cap on the number of equity securities that can be issued by Kina without approval of shareholders in any rolling twelve-month period. However, Kina is permitted to issue shares (or other securities) in excess of the 15% limit if those shares or securities are issued in reliance on an exception to ASX Listing Rule 7.1 or the issue is approved by shareholders.

Resolution 7, if passed, will provide approval for this purpose in relation to both the Performance Rights and any Shares issued on vesting of those Performance Rights. If approval is given under Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1, in accordance with Exception 14 in ASX Listing Rule 7.2.

The Directors considers that the award of securities to the Eligible Participants an appropriate incentive in the best interests of Kina and therefore recommends that shareholders vote in favour of Resolution 7.

GLOSSARY

AUD, A\$, \$ means Australian Dollars, unless stated otherwise.

Annual General Meeting or AGM or Meeting means the annual general meeting of the Company to be convened by the Notice of Meeting (unless the context otherwise requires).

ASX means the Australian Securities Exchange or ASX Limited (ACN 008 624 691).

ASX Listing Rule means the Listing Rules of the ASX.

Auditor or Deloitte means Deloitte Touche Tohmatsu, the Company's external auditor.

Board means the board of directors of the Company at the date of the Notice of Meeting.

Chairman means the chairman of the Meeting.

Company or Kina means Kina Securities Limited (Company Number: 1-10989 | ARBN: 606 168 594).

Companies Act means the Companies Act 1997 of the Independent State of Papua New Guinea.

Constitution means the Company's Constitution, approved by Shareholders on 29 July 2015, and in effect at the time of the Meeting.

Directors mean the current directors of the Company at the date of the Notice of Meeting, being Isikeli Taureka, Andrew Carrline, Paul Hutchinson, Karen Smith Pomeroy and Jane Thomason.

Explanatory Memorandum means the explanatory memorandum that accompanies and forms part of the Notice of meeting.

KSL means Kina Securities Limited (Company Number: 1-10989 | ARBN 606 168 594).

Listing Rule means each of a:

- a) ASX Listing Rule; and
- b) PNGX Listing Rule.

Notice of Meeting means the Notice Annual General Meeting dated 16 April 2020 which this Explanatory Memorandum accompanies and in which the Resolutions are set out.

Placement means the placement of new shares, in accordance with section 43 of the Companies Act, under a Share Subscription Agreement dated 3 December 2019, between the Company and Asian Development Bank, to issue up to a total of 10,751,916 new fully paid ordinary shares in Kina Securities Limited (Shares) at an issue price of A\$1.373 per Share, raising approximately A\$14.8 million

PNGX means PNGX Markets Limited or the national stock exchange of Papua New Guinea.

PNGX Listing Rule means the Listing Rules of PNG's National Stock Exchange.

Prospectus means the Prospectus for initial public offering of 97 million shares in Kina Securities Limited at \$1.00/K2.08 per share, dated 2 July 2015.

Proxy Form means the proxy form for the Annual General Meeting accompanying the Notice of Meeting.

Resolution or Resolutions means each of the three Resolutions identified in the Notice of Meeting.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

USD, US\$, means United States of America Dollars, unless stated otherwise.


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

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+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999


VOTING FORM

I/We being a member(s) of Kina Securities Limited and entitled to attend and vote hereby appoint:

STEP 1 Please mark either A or B

A VOTE DIRECTLY

elect to lodge my/our vote(s) directly (mark box)

 in relation to the Annual General Meeting of the Company to be held at **8:00am (Port Moresby time) on Tuesday, 19 May 2020**, and at any adjournment or postponement of the Meeting.

You should mark either “for” or “against” for each item. Do not mark the “abstain” box.

OR

B APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **8:00am (Port Moresby time) on Tuesday, 19 May 2020 in the Kina Board Room, Level 9, Kina Bank Haus, Douglas Street, Port Moresby, 121, Papua New Guinea (the Meeting)** and at any postponement or adjournment of the Meeting.

The Annual General Meeting is also being made available online for holders to listen and participate at <https://agmlive.link/KSL20>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2


VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Re-election of Director – Karen Smith-Pomeroy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2020	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Kina Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Issue of Performance Rights under the Kina Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2019	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder’s attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company’s constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER VOTING FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

VOTING UNDER BOX A

If you ticked the box under Box A you are indicating that you wish to vote directly. Please only mark either "for" or "against" for each item. Do not mark the "abstain" box. If you mark the "abstain" box for an item, your vote for that item will be invalid.

If no direction is given on all of the items, or if you complete both Box A and Box B, your vote may be passed to the Chairman of the Meeting as your proxy.

Custodians and nominees may, with the Share Registrar's consent, identify on the Voting Form the total number of votes in each of the categories "for" and "against" and their votes will be valid.

The Chairman's decision as to whether a direct vote is valid is conclusive.

VOTING UNDER BOX B – APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Voting Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Voting Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Voting Form and the second Voting Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

LODGEMENT OF A VOTING FORM

This Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **8:00am (Port Moresby time) on Sunday, 17 May 2020**, being not later than 48 hours before the commencement of the Meeting. Any Voting Form received after that time will not be valid for the scheduled Meeting.

Voting Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Voting Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Kina Securities Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

LODGE YOUR VOTE

EMAIL
brenda@online.net.pg

BY MAIL
PNG Registries Limited
PO Box 1265
PORT MORESBY NCD
Papua New Guinea

BY FAX
(+675) 321 6379

BY HAND
Level 4, Cuthbertson House, Cuthbertson Street
Port Moresby NCD

ALL ENQUIRIES TO
Telephone: (+675) 321 6377 or 321 6378

X99999999999


SHAREHOLDER VOTING FORM

I/We being a member(s) of Kina Securities Limited and entitled to attend and vote hereby appoint:

STEP 1 Please mark either A or B

A VOTE DIRECTLY

elect to lodge my/our vote(s) directly (mark box)

 in relation to the Annual General Meeting of the Company to be held at **8:00am (Port Moresby time) on Tuesday, 19 May 2020**, and at any adjournment or postponement of the Meeting.

You should mark either “for” or “against” for each item. Do not mark the “abstain” box.

OR

B APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy

Name

Email

OR failing the person named above, or if no person is named, the Chairman of the Meeting, to act generally at the Meeting as the Shareholder's proxy to vote for the Shareholder and on the Shareholder's behalf at the Annual General Meeting of Shareholders of the Company to be held at **8:00am (Port Moresby time) on Tuesday, 19 May 2020 in the Kina Board Room, Level 9, Kina Bank Haus, Douglas Street, Port Moresby NCD, Papua New Guinea** and at any adjournment of that meeting.

The Annual General Meeting is also being made available online for holders to listen and participate at <https://agmlive.link/KSL20>

STEP 2

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

1 Re-election of Director – Karen Smith-Pomeroy

2 Appointment of Auditor

3 Ratification of Placement

4 Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2019

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5 Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2020

6 Kina Performance Rights Plan

7 Issue of Performance Rights under the Kina Performance Rights Plan

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

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Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER VOTING FORM

1. YOUR NAME AND ADDRESS

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Please note: you cannot change ownership of your shares using this form.

2. VOTING UNDER BOX A

If you ticked the box under Box A you are indicating that you wish to vote directly. Please only mark either "for" or "against" for each item. Do not mark the "abstain" box. If you mark the "abstain" box for an item, your vote for that item will be invalid.

If no direction is given on all of the items, or if you complete both Box A and Box B, your vote may be passed to the Chairman of the Meeting as your proxy.

Custodians and nominees may, with the Share Registrar's consent, identify on the Voting Form the total number of votes in each of the categories "for" and "against" and their votes will be valid.

3. VOTING UNDER BOX B – APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark Box B in Step 1 above. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting, please write the name of that person in the right-hand box in Step 1 above. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

4. VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any items of business. Please note: **if you mark more than one box on an item, your vote on that item will be invalid.**

5. SIGNING INSTRUCTIONS

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Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary.

LODGEMENT OF A VOTING FORM

This Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **8:00am (Port Moresby time) on Sunday, 17 May 2020**, being not later than 48 hours before the commencement of the Meeting. Any Voting Form received after that time will not be valid for the scheduled Meeting.

Voting Forms may be lodged using the reply paid envelope or:



BY MAIL

PNG Registries Limited
PO Box 1265
PORT MORESBY NCD
Papua New Guinea



BY FAX

(+675) 321 6379



BY EMAIL

brenda@online.net.pg



BY HAND

PNG Registries Limited,
Level 4, Cuthbertson House,
Cuthbertson Street,
Port Moresby, NCD

Virtual Annual General Meeting Online Guide

Virtual Annual General Meeting Online Guide

Before you begin

Ensure your browser is compatible. You can easily check your current browser by going to the website: **whatismybrowser.com**

Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 “Mavericks” & OS X v10.10 “Yosemite” and after
- Internet Explorer 9 and up (please note Internet Explorer 8 is not supported)

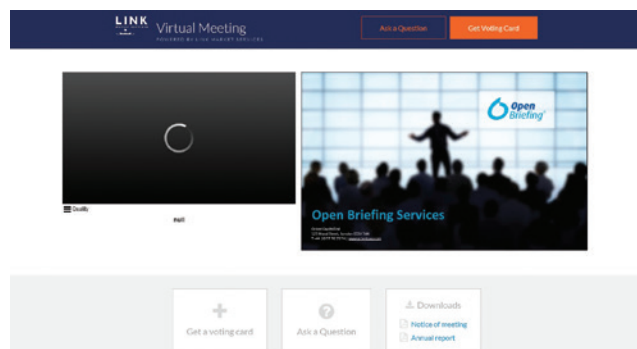
The virtual meeting is viewable from desktops and laptops. To attend and vote at the virtual annual general meeting you must have:

- ASX registered holders: Shareholder number and postcode

If you are an appointed proxy you will need your proxy number which will be provided by Link Market Services prior to the meeting. **Please make sure you have this information before proceeding.**

Step 1

Open your web browser and go to <https://agmlive.link/KSL20> and select the relevant meeting.



Step 2

Login to the portal using your full name, email address, and company name (if applicable).

Please read and accept the terms and conditions before clicking on the blue **‘Register and Watch Annual General Meeting’** button. Once you have logged in you will see:

- On the left – a live video webcast of the Annual General Meeting
- On the right – the presentation slides that will be addressed during the Annual General Meeting.

Note: After you have logged in we recommend that you keep your browser open for the duration of the meeting. If you close your browser, your session will expire. If you attempt to log in again, you will be sent a recovery link via email for security purposes.



Navigating

At the bottom of the webpage under the webcast and presentation there are three boxes. Refer to each section below for operating instructions.

- 1 Get a voting card
- 2 Ask a Question
- 3 Downloads



Get a voting card



Ask a Question

Downloads

Notice of meeting
Annual report

1. Get a voting card

To register to vote - click on the 'Get a voting card' box at the top of the webpage or below the videos.

Get Voting Card



Get a voting card

This will bring up a box which looks like this.

Voting Card

Please provide your Shareholder or Proxy details

SHAREHOLDER DETAILS

Shareholder Number Post Code

Outside Australia

SUBMIT DETAILS AND VOTE

OR

PROXY DETAILS

Proxy Number

SUBMIT DETAILS AND VOTE

If you are an individual or joint Shareholder you will need to register and provide validation by entering your details in the top section:

- **ASX and PNGX registered holders:** Shareholder number and postcode

If you are an appointed Proxy, please enter the Proxy Number issued to you by Link Market Services in the PROXY DETAILS section. Once you have entered your appropriate details click the blue **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by Shareholders at the Annual General Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to scroll up or down to view all resolutions.

Shareholders and proxies can either submit a Full Vote or a Partial Vote. You can move between the two tabs by clicking on **'Full Vote'** or **'Partial Vote'** at the top of the voting card.

Virtual Annual General Meeting Online Guide *continued*

ABC COMPANY PTY LTD X123456789

Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the the Unitholder's voting instructions.

Full Vote Partial Vote

Resolution 2B For Against Abstain
RE-ELECTION OF MR. ABC AS A DIRECTOR

Resolution 2C For Against Abstain
RE-ELECTION OF MS XYZ AS A DIRECTOR

Resolution 3 For Against Abstain
INCREASE TO DIRECTORS' MAXIMUM FEE POOL LIMIT

Resolution 4 For Against Abstain
ADOPTION OF REMUNERATION REPORT

SUBMIT VOTE

Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes you would like to vote (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes in a certain box it will automatically tally how many votes you have left.

Note: If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click the blue **'Cast Vote'** or **'Cast Partial Vote'** button.

Note: You are able to close your voting card during the meeting without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

If at any point you have submitted your voting card and wish to make a change while voting is still open you can do so by clicking the **'Edit Card'** button and making the required change. Once you have completed your card select the blue **'Cast Vote'** or **'Cast Partial Vote'** button.

The voting card remains editable until the voting is closed at the conclusion of the Annual General Meeting. Once voting has been closed all voting cards, submitted and un-submitted, will automatically be submitted and cannot be changed.

At the conclusion of the Annual General Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time available to shareholders. Please make any changes required to your voting cards at this point and submit your voting cards.

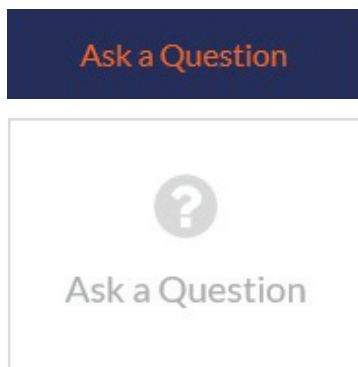
If an additional resolution is proposed during the meeting, there will be a short delay while the resolution is added to the voting card. Once the resolution has been added you will be notified by the Chairman during the meeting. In order to vote on the extra resolution you will need to reopen your voting card to cast your vote by clicking the **'Edit Card'** button.

Note: Registration for the Annual General Meeting and voting opens one hour before the meeting begins.

2. How to ask a question

Note: Only shareholders are eligible to ask questions.

You will only be able to ask a question after you have registered to vote. If you would like to ask a question, click on the 'Ask a Question' box either at the top or bottom of the webpage.



The 'Ask a Question' box will then pop up with two sections for completion.

Ask a Question

We welcome any questions that you may have and will endeavour to answer all questions during the Meeting. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

Regarding

Question

Type your question here...

Submit Question

In the 'Regarding' section click on the drop down arrow and select one of the following categories:

- General Business
- Resolution 1
- Resolution 2
- Resolution 3
- Resolution 4
- Resolution 5
- Resolution 6

After you have selected your question category, click in the 'Question' section and type your question.

When you are ready to submit your question - click the blue 'Submit Question' button. This will send the question to the Management/Board.

Note that not all questions are guaranteed to be answered during the Annual General Meeting, but we will do our best to address your concerns.

Once you have asked a question a 'View Questions' box will appear.

At any point you can click on 'View Questions' and see all the questions you have submitted. Only you can see the questions you have asked.

Note: You can submit your questions by this method one hour before the meeting begins, if you have registered to vote. You can continue to submit questions up until the close of voting.

If your question has been answered and you would like to exercise your right of reply, you can do so by submitting another question.

View questions

Your submitted questions can be viewed below. We will endeavour to answer all questions during the Meeting.

Question 1

General Business

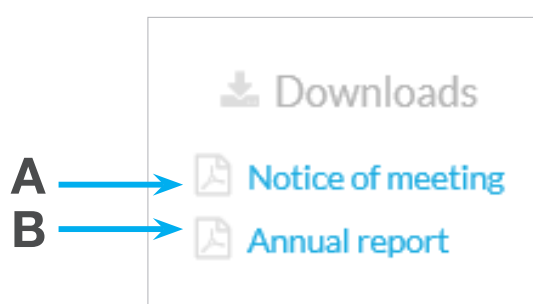
When will you be holding your next AGM?

SUBMIT ANOTHER QUESTION

Virtual Annual General Meeting Online Guide *continued*

3. Downloads

If you would like to see the Notice of Annual General Meeting or the Annual Report you can do so here.



- To download the Notice of Meeting – click A
- To download the Annual Report – click B

When you click on these links the file will open in another tab in your browser.

Voting closing

Voting will close 5 minutes after the close of the Annual General Meeting.

At the conclusion of the Annual General Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not yet submitted your vote at this point, you will be required to do so now.

At the close of the meeting any votes you have placed will automatically be submitted.



Contact us

Australia
T 1300 554 474
E info@linkmarketservices.com.au

New Zealand
T +64 9 375 5998
E enquiries@linkmarketservices.co.nz

Papua New Guinea
T +675 321 6377
E info@linkmarketservices.com.au