

11 May 2023

## ASX/PNGX | Announcement

ASX Markets Announcement Office  
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Sydney NSW 2000  
Australia

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Unit 1B.02, Level 1, Stanley Esplanade  
Down Town, Port Moresby 121  
Papua New Guinea

### BY ELECTRONIC LODGEMENT

#### Notice of 2023 Annual General Meeting

Please see attached for release to the market, the following documents for the 2023 Annual General Meeting of Kina Securities Limited (ASX:KSL | PNGX:KSL), which will be held as a virtual meeting online on Friday, 9 June 2023 commencing at 10:00am (Port Moresby time | AEST) (**AGM**).

- Notice of Meeting
- Sample Proxy Forms (Australia and PNG)
- Virtual Online Meeting Guide

ENDS

*For further information:*

Johnson Kalo  
CFO and Company Secretary  
Email: [Johnson.Kalo@kinabank.com.pg](mailto:Johnson.Kalo@kinabank.com.pg)

This Announcement was authorised for release by Kina Securities Limited's Board of Directors.

**KINA SECURITIES LIMITED**  
**NOTICE OF ANNUAL GENERAL MEETING**  
**AND EXPLANATORY MEMORANDUM**

**TO ASSIST SHAREHOLDERS IN THEIR CONSIDERATION OF RESOLUTIONS TO BE PUT AT THE**  
**ANNUAL GENERAL MEETING OF MEMBERS**  
**TO BE HELD BY VIRTUAL ONLINE MEETING ON FRIDAY, 9 JUNE 2023**  
**AT 10:00AM (PORT MORESBY TIME | AEST)**

*THIS DOCUMENT IS IMPORTANT*

This Notice of Meeting and Explanatory Memorandum should be read in their entirety. If you do not understand these documents or are in any doubt as to how to deal with them, you should consult your stockbroker, solicitor, accountant, or other professional adviser immediately.

**Shareholder Enquiries:**

**+61 1300 554 474**

11 May 2023

Dear Shareholder,

### **Kina Securities Limited – 2023 Annual General Meeting**

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 participate in Kina's 2023 Annual General Meeting (**AGM** or **Meeting**), to be held as a virtual meeting online on **Friday, 9 June 2023 commencing at 10:00am (Port Moresby time | AEST)**.

### ***Accessing the Notice of Meeting and Voting Form***

The formal Notice of Meeting has been released to ASX and PNGX and can also be accessed from our website at <https://investors.kinabank.com.pg/Investors/?page=agm>.

Your personalised Voting Form and a Question Form are enclosed with this letter.

### ***Participating in the AGM***

Shareholders will be able to attend and participate in the AGM via our online platform at <https://meetings.linkgroup.com/KSL23> (**Online Platform**). Shareholders will be able to view the Meeting presentations, vote in real time and ask questions live during the meeting through the Online Platform.

You may submit questions prior to the AGM by logging into the Link Market Services website at <https://investorcentre.linkgroup.com> and following the instructions or submitting the enclosed AGM Question Form by 5:00pm (Port Moresby time | AEST) on Friday, 2 June 2023. Shareholders may also vote before the AGM online via the Link Market Services website or by lodging the enclosed Voting Form no later than 10:00am (Port Moresby time | AEST) on Wednesday, 7 June 2023.

Further details on how to participate in the AGM, including how to ask questions and vote via the Online Platform, are set out in the Notice of Meeting and Virtual Meeting Online Guide (**Online Guide**). The Online Guide has been released to ASX and PNGX and is available at <https://investors.kinabank.com.pg/Investors/?page=agm>.


I encourage you to read the Notice of Meeting (including the Explanatory Memorandum) and to vote in advance of the AGM, even if you intend to join us online on the day. Subject to the abstentions noted in the Explanatory Memorandum, the Directors unanimously recommend that Shareholders vote in favour of all resolutions.

On the day of the AGM, it is recommended that Shareholders and proxyholders log into the Online Platform at least 15 minutes prior to the scheduled start time of 10:00am (Port Moresby time | AEST). To access the Online Platform:

- Shareholders will need their Securityholder Reference Number (SRN) or Holder Identification Number (HIN), which can be found on your Voting Form; and
- proxyholders will need their proxy code, which Link Market Services will provide via an email no later than 24 hours before the start of the AGM.

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

Yours faithfully,

  
**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 on:

**Date:** Friday, 9 June 2023

**Time:** 10:00am (Port Moresby time | AEST)

**Venue: Online:** at <https://meetings.linkgroup.com/KSL23>

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

#### Receipt of the 2022 AGM Minutes

To receive, consider, and accept the Minutes of the Annual General Meeting held on 24 May 2022, as a correct record of the Meeting.

#### Receipt of the financial statement and reports

To receive the 2022 Annual Report, including the Financial Statements, Directors' Report and Auditor's Report for the Company and its subsidiaries for the year ended 31 December 2022. A copy of Kina's 2022 Annual Report can be downloaded from Kina's website at <https://investors.kinabank.com.pg/Investors/?page=Reports-and-Presentations>.

### 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 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 Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2022

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

*"That, for the purposes of ASX and PNGX Listing Rules 10.14 and for all other purposes, the issue of 338,448 Performance Rights under the Kina Performance Rights Plan - FY2022 Short Term Incentive Award and 322,331 Performance Rights under the Kina Performance Rights Plan - FY2022 Long Term Incentive Award to the Managing Director and Chief Executive Officer, Mr Gregory Pawson, for the financial year ended 31 December 2022, in accordance with the rules of the Kina Performance Rights Plan and 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 and PNGX Listing Rules 14.11, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:
  - a) a person referred to in ASX and PNGX Listing Rules 10.14.1, 10.14.2 or 10.14.3 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 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 Approval of the Kina Performance Rights Plan**

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

*“That for the purposes of ASX and PNGX Listing Rule 7.2, exception 13 and all other purposes, the Kina Performance Rights Plan, as described in the Explanatory Memorandum accompanying and forming part of this Notice of Meeting, and the issue of securities under the Kina Performance Rights Plan, be approved.”*

##### Voting Exclusion Statement

1. In accordance with ASX and PNGX Listing Rules 14.11, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:
  - a) any person who is eligible to participate in the Kina Performance Rights Plan; and
  - b) an associate of that person (or those persons).
2. However, this does not apply to a vote cast in favour of Resolution 4 by:
  - a) a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
  - b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, 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 4; and
    - ii) the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **Resolution 5 Approval of 10% Placement Facility**

To consider and, if thought fit, pass the following as a **special resolution** of the Company:

*“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum which forms part of the Notice of Meeting.”*

**Note:** this resolution is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by Shareholders who are entitled to vote on the resolution, vote in favour.

At the time of releasing this Notice, the Company is not proposing to make an issue of equity securities under ASX Listing Rule 7.1A.2.

##### 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 5 by or on behalf of:
  - a) any person who is expected to participate in an issue of shares under the 10% placement capacity, or any person who may obtain a material benefit as a result of an issue of shares under the 10% placement capacity, except a benefit solely by reason of being a holder of ordinary securities in the Company; or
  - b) an associate of that person.
2. However, this does not apply to a vote cast in favour of Resolution 5 by:
  - a) a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the directions given to the proxy or attorney to vote on Resolution 5 in that way; or
  - b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 5, 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 5; and

- ii) the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Resolution 6 Approval of the Kina Dividend Reinvestment Plan**

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

*"That for the purposes of PNGX Listing Rule 7.2, exception 7(b) and all other purposes, the Kina Dividend Reinvestment Plan, as described in the Explanatory Memorandum accompanying and forming part of this Notice of Meeting, be approved."*

## **ANY OTHER BUSINESS**

To consider any other business of the day.

## **VOTING PROCEDURES AT THE AGM**

### **All resolutions will be by poll**

As the AGM is being held online only, and in accordance with Article 55.1 of the Constitution, the Chairman intends to demand a poll on each of the resolutions proposed at the AGM.

### **Direct voting**

In accordance with Article 53.3 of the Constitution, the Directors, including the Chairman:

- 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
- have approved the use of Link's online platform as the 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 53.3 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://meetings.linkgroup.com/KSL23>, where all Shareholders will be able to view the AGM live, lodge a direct vote in real time and ask questions online.

### **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 | AEST) on Wednesday, 7 June 2023, being two days before the date of Meeting, will be entitled to participate 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 on resolutions to be considered at the meeting **at any time between the date of this Notice of Meeting and 10.00am (Port Moresby time | AEST) on Wednesday, 7 June 2023**. 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://meetings.linkgroup.com/KSL23> will be able to vote directly **at any time between the commencement of the AGM at 10:00am (Port Moresby time | AEST) on Friday, 9 June 2023, 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 **Virtual Meeting Online Guide (Online Guide)**. The Online Guide will be filed with the ASX and PNGX and will also be available on our website at <https://investors.kinabank.com.pg/Investors/?page=agm>. To ensure your browser is compatible, please follow the instructions in the Online 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 Kina's website at <https://investors.kinabank.com.pg/Investors/?page=agm>. 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 participate and vote at the AGM, 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 Voting Form as directed by the notes on the Voting Form.

### Submitting your Voting Form prior to the AGM

To be effective, the Voting 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 Voting 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 **10.00am (Port Moresby time AEST) on Wednesday, 7 June 2023**. After this time, you will still be able to vote during the AGM by submitting your direct vote during the Meeting 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<br>C/- Link Market Services Limited<br>Locked Bag A14<br>Sydney South NSW 1235<br>Australia | Kina Securities Limited<br>C/- PNG Registries Limited<br>PO Box 1265<br>Port Moresby NCD<br>Papua New Guinea |
| By facsimile:                 | +61 2 9287 0309   | +675 321 6379  |
| By delivery in person:        | Link Market Services Limited<br>Level 12, 680 George Street<br>Sydney NSW 2000                                      | PNG Registries Limited<br>Level 4, Cuthbertson House<br>Cuthbertson Street<br>Port Moresby NCD               |
| Online / Email:               | <a href="https://investorcentre.linkgroup.com">https://investorcentre.linkgroup.com</a>                             | <a href="mailto:pngregistries@linkgroup.com">pngregistries@linkgroup.com</a>                                 |
| All enquiries to (telephone): | +61 1300 554 474  | +675 321 6377 or 321 6378  |

### Power of Attorney

A Proxy Form and the original Power of Attorney (if any) under which the Proxy Form is signed (or a certified copy of that Power of Attorney or other authority) must be received by the Company no later than **10.00am (Port Moresby time | AEST) on Wednesday, 7 June 2023**, 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 the resolutions, then by submitting the proxy appointment you will be expressly authorising the Chairman to exercise your proxy on the relevant resolution.

### The Chairman's voting intentions

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

### Questions from Shareholders

Shareholders who are unable to attend or participate in the Meeting via the online platform, may prefer to register questions in advance, and are invited to do so. Please log onto <https://investorcentre.linkgroup.com>, select 'Voting' then click 'Ask a Question', or alternatively submit the **AGM Question Form**.

To allow time to collate questions and prepare answers, please submit any questions by 5:00pm (Port Moresby time | AEST) on Friday, 2 June 2023, (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.

### By order of the Board of Directors



**Johnson Kalo**

Chief Financial Officer and Company Secretary  
11 May 2023



## 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 Friday, 9 June 2023 at 10:00am (Port Moresby time | AEST).

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.

Resolutions 1, 2, 3, 4 and 6 are Ordinary Resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the Resolution. Resolution 5 is a Special Resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the Resolution, vote in favour.

## BACKGROUND TO THE ITEMS OF BUSINESS

### GENERAL BUSINESS

#### Receipt of the 2022 AGM Minutes

The Chairman will table the minutes of the 2022 AGM held 24 May 2022, dated 23 August 2022, as a correct record of the 2022 Annual General Meeting.

#### Receipt of the financial statements and reports

The 2022 Annual Report, including the Financial Statements, Director's Report and the Auditor's Report included in the 2022 Annual Report (**Reports**) for the Company and its subsidiaries for the year ended 31 December 2022 can be downloaded from Kina's website at <https://investors.kinabank.com.pg/Investors/?page=Reports-and-Presentations> and has been sent to those Shareholders who requested a copy.

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 and operations of, the Company more generally.

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

- the conduct of the audit;
- the preparation and content of the Independent Auditor's Report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- 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 Reports or the management and operations of the Company or to the Company's Auditor, Deloitte, using the AGM Question Form as outlined above.

## RESOLUTIONS

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

#### Background

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

Ms Karen Smith-Pomeroy was appointed as a Director of Kina on 12 September 2018. Karen is an experienced non-executive director, with involvement across a number of industry sectors. Karen has many years of experience in the financial services sector, including a period of five years as Chief Risk Officer for Suncorp Bank. Karen has specific expertise in risk and governance, deep expertise in credit risk and specialist knowledge of a number of industry sectors, including energy, property and agribusiness.

Karen is currently a non-executive director of Queensland Treasury Corporation and Stanwell Corporation Limited and is Chair of the Regional Investment Corporation and National Affordable Housing.



Karen holds accounting qualifications and is a Fellow of the Institute of Public Accountants, a Senior Fellow of the Financial Services Institute of Australasia (FINSIA), a certificate member of the Governance Institute of Australia and a graduate member of the Australian Institute of Company Directors.

Ms Smith-Pomeroy is chair of Kina's Audit and Risk Committee and a member of the Remuneration and Nomination Committee and Disclosure Committee. The Board considered whether Ms Smith-Pomeroy had any interest, position or relationship that may interfere with her independence as a Director, having regard to the relevant factors as set out in the ASX Corporate Governance Council Principles & Recommendations (4<sup>th</sup> edition). The Board considers that Ms Smith-Pomeroy (if re-elected), will continue to be an independent Director.

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.

### **Board Recommendation**

The Board supports the re-election of Ms 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 Karen Smith-Pomeroy abstaining, 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 recommend Shareholders vote in favour of Resolution 2.***

### **Resolution 3 Grant of Performance Rights to Managing Director and Chief Executive Officer for FY2022**

#### **Background**

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 2022.

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**) Award. The Kina Performance Rights Plan (**Plan**) was last approved by Shareholders at the AGM held on 19 May 2020 and is submitted for reapproval at this AGM under Resolution 4.

Each Performance 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.

If Shareholders approve Resolution 3, the Company will be able to proceed with the issuance to Mr Pawson of:

- a) 338,448 Performance Rights in relation to his FY2022 STI Award; and
- b) 322,331 Performance Rights in relation to his FY2022 LTI Award,

on the terms and conditions as set out in this Notice.

If Shareholders do not approve Resolution 3, the proposed issuance of the above Performance Rights to Mr Pawson will not proceed, and the Board would need to consider alternative remuneration arrangements.

Further details of Mr Pawson's remuneration package are set out in the Remuneration Report contained in the Company's 2022 Annual Report, available on Kina's website at:

<https://investors.kinabank.com.pg/Investors/?page=Reports-and-Presentations>.

**Proposed grant of Performance Rights**

**FY2022 - STI**

*Determination of FY2022 STI Award*

The Board determined Mr Pawson's FY2022 STI Award based on the performance of the Company and Mr Pawson for the financial year ended 31 December 2022 (**FY2022**). Mr Pawson is eligible for a STI Award of up to 150% of his fixed base salary. It is intended that Mr Pawson's FY2022 STI Award will be issued as 65% cash and 35% Performance Rights, subject to Shareholder approval.

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. The Performance Period for the FY2022 STI Award was 1 January 2022 to 31 December 2022 inclusive.

The Board has assessed that based on the performance of the Company and Mr Pawson for FY2022, he will be awarded a STI Award equal to 100% of his base salary of \$750,000, being \$750,000, which will be paid as \$487,500 in cash (65%) and \$262,500 in Performance Rights (35%), subject to Shareholder approval.

*Calculating the number of Performance Rights for the FY2022 STI Award*

The number of Performance Rights to be allocated is then determined by dividing the monetary amount of Performance Rights by the 10-day VWAP of Kina Shares up to 31 December for the Performance Period. The Performance Rights are subject to vesting conditions, as set out below.

Accordingly, Shareholder approval is sought for the issuance of 338,448 Performance Rights (being the cash value of Mr Pawson's FY2022 STI Performance Rights Award of A\$262,500, divided by the issue price of A\$0.7756 per share, being the 10-trading day volume weighted average price (**10-day VWAP**) of Kina Shares up to 31 December 2022).

*Vesting period and conditions for the FY2022 STI Award*

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. Therefore, provided Mr Pawson remains employed by the Company two years after the grant date, 100% of the Performance Rights granted under the FY2022 STI Award will vest on that date. Note that the cash component of his STI is paid following Board approval of the STI for the relevant year (ie, there is no two-year deferral period or further conditions applicable to the cash STI payment).

**FY2022 - LTI**

*Determination of FY2022 LTI Award*

Mr Pawson is eligible for a LTI Award of up to 50% of his fixed base salary, determined based on a number of financial and non-financial KPIs for the Performance Period. The Performance Period for the FY2022 LTI Award was 1 January 2022 to 31 December 2022 inclusive.

The Board has assessed that based on the performance of the Company and Mr Pawson for FY2022, he will be awarded a LTI equal to 33.3% of his base salary of \$750,000, being A\$250,000 in Performance Rights, subject to Shareholder approval.

*Calculating the number of Performance Rights for the FY2022 LTI Award*

The number of Performance Rights to be allocated is then determined by dividing the monetary amount of Performance Rights by the 10-day VWAP of Kina Shares up to 31 December for the Performance Period. The Performance Rights are subject to vesting conditions, as set out below.

Accordingly, Shareholder approval is sought for the issuance of 322,331 Performance Rights (being the cash value of Mr Pawson's FY2022 LTI Performance Rights Award of A\$250,000, divided by the issue price of A\$0.7756 per share, being the 10-day VWAP of Kina Shares up to 31 December 2022).

*Vesting conditions for the FY2022 LTI Award*

The Performance Rights are subject to two separate performance hurdles:

| Earnings per share (EPS) hurdle   | Relative total shareholder return (TSR) hurdle   |
|---|--|
| 50% of the Performance Rights   | 50% of the Performance Rights  |
| Earnings per share growth targets ( <b>EPS Hurdle</b> ) for the relevant Vesting Period (defined below) are met | Total Shareholder Return targets ( <b>TSR Hurdle</b> ) for the relevant Vesting 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% over the applicable Vesting Period.

The number of Performance Rights to vest at the end of the Vesting Period under the EPS Hurdle will be determined based on 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. The group of companies is selected based on their operations in a similar industry.

In order for the Performance Rights to vest under the TSR Hurdle, the TSR of the Company measured over the applicable Vesting Period is compared to the average TSR of the comparator group over that period (**Relative TSR Performance**).

No Performance Rights will vest if the Relative TSR Performance of the Company is below the 50<sup>th</sup> percentile.

The number of Performance Rights to vest at the end of the Vesting Period under the TSR Hurdle will be determined based on the table below:

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

*Vesting period for the FY2022 LTI Award*

Performance Rights granted under the LTI Award have a vesting period of three years commencing 1 April in the year granted (**Vesting Period**). At the end of the Vesting Period, the number of Performance Rights to vest under the EPS Hurdle and TSR Hurdle, respectively, will be calculated as described above. Vesting is also 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 ASX Listing Rule 10.14 and PNGX Listing Rule 10.14.

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

1. The number of Performance Rights which will be issued to Mr Pawson, subject to Shareholder approval, is as follows:
  - a) FY2022 STI Award – 338,448 Performance Rights; and
  - b) FY2022 LTI Award – 322,331 Performance Rights.
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 Resolution 3, no additional Director (or other person covered by ASX Listing Rule 10.14) who becomes entitled to participate in the Plan after the approval of this Resolution 3, will participate until approval for such participation 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, upon vesting, 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. In accordance with ASX Listing Rule 10.15.7, subject to Shareholder approval being received, Kina will issue the Performance Rights to be granted for FY2022 no later than three years after the date of the 2023 AGM, being 9 June 2026.
8. Approval of Resolution 3 will result in the grant of Performance Rights to Mr Pawson falling within ASX Listing Rule 7.2, exception 14. If Shareholder 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.
10. The current total remuneration package for FY2022 for Mr Pawson is:

| Fixed base salary | Variable STI <sup>1</sup> | Variable LTI <sup>2</sup> | Total <sup>3</sup> |
|-------------------|---------------------------|---------------------------|--------------------|
| A\$750,000        | A\$1,125,000              | A\$375,000                | A\$2,250,000       |

- (1) Up to a maximum of 150% of fixed base salary.
- (2) Up to a maximum of 50% of fixed based salary.
- (3) Total potential reward based on 100% achievement of STI and LTI.

11. The number of Performance Rights issued to Mr Pawson at \$nil cost since listing of the Company on 30 July 2015 are as follows:

| Awards Granted | Awards Vested | Converted to Shares | Lapsed / Forfeited | Current Balance |
|----------------|---------------|---------------------|--------------------|-----------------|
| 2,733,105      | 899,824       | 899,824             | 244,412            | 1,588,868       |

#### Board Recommendation

- The Non-executive Directors consider that it is important to be able to attract and retain experienced and capable CEOs and the grant of Performance Rights to Mr Pawson is appropriate taking into account his level of experience and contributions to the Company.
- The Non-executive Directors consider that the proposed number of Performance Rights to be granted to Mr Pawson is appropriate to:
  - motivate him to pursue the long-term growth and success of Kina (within an appropriate control framework);
  - align the interests of key leadership with the long-term interests of the Shareholders; and
  - ensure a clear correlation between performance and remuneration, in accordance with the Company's remuneration policy.
- The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4<sup>th</sup> edition) note that equity-based remuneration can be an effective form of remuneration for executives when linked to hurdles that are aligned to short, medium and longer-term objectives.

***For the reasons set out above, the Directors, with Mr Pawson abstaining, recommend Shareholders vote in favour of Resolutions 3.***

#### Resolution 4 Approval of the Kina Performance Rights Plan

##### Background

ASX and PNGX Listing Rule 7.1 provides that a listed company must not, without prior approval of its shareholders, issue or agree to issue securities if the number of securities issued or agreed to be issued, or when aggregated with the number of securities issued by the company during the 12 months immediately preceding the date of issue or agreement, exceeds 15% of the number of shares on issue at the start of that 12-month period.

Listing Rule 7.2, exception 13(b) provides an exception to Listing Rule 7.1 such that an issue under an employee incentive scheme is not calculated as part of the 15% limitation if, within three years before the date of issue one of the following occurred:

- in the case of a scheme established before the entity was listed, a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the Prospectus; or
- ordinary shareholders approved the issue of equity securities under the scheme as an exception to Listing Rule 7.1 in accordance with the Listing Rules.

The terms of the Kina Performance Rights Plan (**Plan**) were set out in the Prospectus dated 2 July 2015 in relation to the Company's Listing on ASX. A summary of the terms of the Plan is set out in Schedule 1 for ease of reference. A copy of the Plan was released to ASX on 30 July 2015, being the date that Kina was admitted to the Official List of the ASX. The Plan was last approved by Shareholders at the AGM held on 19 May 2020. Accordingly, the exception

under ASX Listing Rule 7.2, exception 13(b) will cease to be available for issues of securities under the Plan, unless Shareholders approve this Resolution 4.

The exception under ASX Listing Rule 7.2, exception 13(b) is only available to the extent that:

- any issue of Performance Rights under the Plan does not exceed the maximum number of Performance Rights proposed to be issued as set out in this Notice of Meeting and Explanatory Memorandum (**Equity Cap**); and
- there is no material change to the terms of the Plan.

The Board has approved (subject to Shareholder approval) an Equity Cap for the purposes of Listing Rule 7.2, exception 13(b) for the three years following Shareholder approval (if given) of 6,800,000 Performance Rights, excluding any Performance Rights to be issued to the CEO, for which separate shareholder approval would be sought. Given the proposed Equity Cap, Kina is now seeking Shareholder approval for the purpose of ASX Listing Rule 7.2, exception 13(b) to ensure this exception continues to apply to the Plan.

If Shareholders approve Resolution 4:

- the maximum number of Performance Rights proposed to be issued under the Plan for the three years following the approval is 6,800,000, excluding any Performance Rights to be issued to the CEO, for which separate shareholder approval would be sought. The maximum number of Performance Rights is not intended to be a prediction of the actual number of Performance Rights to be issued under the Plan but is specified for the purpose of setting a ceiling on the number of Performance Rights approved to be issued under and for the purposes of ASX Listing Rule 7.2, exception 13(b). It is not envisaged that the maximum number of Performance Rights for which approval is obtained will be issued immediately. On an annual basis, it is not anticipated that the number of Performance Rights issued under the Plan would exceed 2 million, excluding any Performance Rights to be issued to the CEO; and
- any issue of Performance Rights (up to the Equity Cap) under the Plan during the 3-year period after the AGM will not use up any of Kina's 15% capacity on issuing equity securities without Shareholder approval (or, if the resolution under Item 5 is approved, the additional 10% of placement capacity pursuant to Listing Rule 7.1A). However, exception 13 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 Listing Rule 10.14.

If Shareholders do not approve Resolution 4, then any issue of Performance Rights under the Plan will be included in calculating the Company's 15% capacity in ASX Listing Rule 7.1 (or, if the resolution under Item 5 is approved, the additional 10% of placement capacity pursuant to Listing Rule 7.1A), effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue of the securities.

An approval under Resolution 4 is only available to the extent that:

- any issue of Performance Rights under the Plan does not exceed the maximum number of Performance Rights proposed to be issued as set out in the Notice of Meeting (ie, the Equity Cap); and
- there is no material change to the terms of the Plan.

#### Further information

For the purposes of ASX Listing Rule 7.2 exception 13(b) the following information is provided:

- a summary of the key terms of the Plan is set out in Schedule 1.
- The Plan was last approved by Shareholders at the AGM held on 19 May 2020. Since that date, the Company has issued 4,811,050 Performance Rights.
- Subject to Shareholder approval, the maximum number of Performance Rights proposed to be issued under the Plan (ie, the 'Equity Cap', as defined above) is 6,800,000 Performance Rights, excluding any Performance Rights to be issued to the CEO, for which separate shareholder approval would be sought.
- A voting exclusion statement is set out in the Notice of Meeting above.

Resolution 4 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders present and entitled to vote on the resolution.

#### Purpose of the Kina Performance Rights Plan

The purpose of the 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.

***The Directors consider that the award of securities to eligible participants under the Plan is an appropriate incentive and in the best interests of Kina and therefore recommend that Shareholders vote in favour of Resolution 4.***



## Resolution 5 Approval of 10% Placement Facility

### Background

ASX Listing Rule 7.1 and PNGX Listing Rule 7.1 generally limits the amount of equity securities that a listed entity can issue without the approval of its Shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under ASX Listing Rule 7.1A eligible companies may seek Shareholder approval by special resolution to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placement over a 12-month period (**additional 10% placement**). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1 and PNGX Listing Rule 7.1.

A company is eligible to seek Shareholder approval for this additional placement capacity under ASX Listing Rule 7.1A if it satisfies both of the following criteria at the date of the AGM:

- a) it has a market capitalisation of \$300 million or less; and
- b) it is not included in the S&P/ASX 300 Index.

The Company satisfies both the above criteria at the date of this Notice and it is anticipated that it will satisfy both these criteria at the date of the AGM. If on the date of the AGM, Kina no longer meets this eligibility criteria, this Resolution 5 will be withdrawn.

The Company has previously obtained the same approval under ASX Listing Rule 7.1A at the previous AGM held 24 May 2022.

Accordingly, Resolution 5 is seeking approval of Shareholders by special resolution for the issue of up to the number of equity securities as calculated under the formula set out in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3, to such persons as the Board may determine, on the terms as described in this Explanatory Memorandum.

Approval of Resolution 5 does not oblige the Company to conduct a placement or use the additional 10% placement capacity. The approval would provide the Company with additional flexibility and an ability to move quickly in the event that an opportunity arose which required additional capital.

At the date of this Notice, the Company has on issue 286,935,900 fully paid ordinary shares and a capacity to issue:

- a) 43,040,385 (286,935,900 x 15%) equity securities under ASX Listing Rule 7.1 and PNGX Listing Rule 7.1; and
- b) 28,693,590 (286,935,900 x 10%) equity securities under ASX Listing Rule 7.1A (subject to approval of Resolution 5).

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

If Shareholders approve Resolution 5, the effect will be to allow Kina to issue equity securities under ASX Listing Rule 7.1 up to 15% capacity for ASX Listing Rule 7.1 and PNGX Listing Rule 7.1 and an additional 10% placement capacity for ASX Listing Rule 7.1A without further Shareholder approval.

If Shareholders do not approve Resolution 5, Kina will not be able to access the additional 10% placement capacity to issue equity securities without Shareholder approval under ASX Listing Rule 7.1A and will remain subject to the 15% capacity limit on issuing equity securities without Shareholder approval under ASX Listing Rule 7.1 and PNGX Listing Rule 7.1.

The proposed allottees of any equity securities under the additional 10% placement capacity are not as yet known or identified. In these circumstances, Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes pursuant to the voting exclusion statement applicable to this Resolution.

### Further information

Equity securities issued under the additional 10% placement capacity must be in the same class as an existing quoted class of equity securities of the Company.

ASX Listing Rule 7.1A.2 provides that those eligible entities which have obtained Shareholder approval at an AGM may issue or agree to issue, during the 12-month period after the date of the AGM, a number of equity securities calculated in accordance with the following formula:

#### (A x D) - E

- A** is the number of fully paid ordinary shares on issue at the commencement of the 12-month period immediately before the date of issue or agreement to issue (**12-month period**):
- (a) **plus**, the number of fully paid ordinary shares issued in the 12-month period under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;



- (b) **plus**, the number of fully paid ordinary securities issued in the 12-month period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
  - (i) the convertible securities were issued or agreed to be issued before the commencement of the 12-month period; or
  - (ii) the issue of, or agreement to issue the convertible securities was approved or taken under these rules to have been approved under ASX Listing Rule 7.1 or 7.4;
- (c) **plus**, the number of fully paid ordinary securities issued in the 12-month period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
  - (i) the agreement was entered into before the commencement of the 12-month period; or
  - (ii) the agreement or issue was approved, or taken under these rules to have been approved under ASX Listing Rule 7.1 or rule 7.4;
- (d) **plus**, the number of any other fully paid ordinary securities issued in the 12-month period with approval under rule 7.1 or rule 7.4;
- (e) **plus**, the number of partly paid ordinary securities that became fully paid in the 12-month period;
- (f) **less** the number of fully paid ordinary securities cancelled in the 12-month period.

Note that **A** has the same meaning as in ASX Listing Rule 7.1, when calculating an entity's 15% placement capacity.

**D** is 10%.

**E** is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12-month period, where the issue or agreement has not been subsequently approved by Shareholders under ASX and PNGX Listing Rule 7.4.

### Information required by ASX Listing Rule 7.3A

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 7.3A:

#### a) 10% Placement Period

If Resolution 5 is passed, the additional 10% placement capacity will be valid during the period from the date of the Meeting and will expire on the earlier of:

- 8 June 2024, being the date that is 12 months after the date of the Meeting;
- the time and date of the Company's next Annual General Meeting; and
- the time and date on which the Company receives approval by Shareholders for a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

#### b) Minimum Issue Price

Under ASX Listing Rule 7.1A.3, the minimum price at which the equity securities may be issued is for a cash consideration per security which is not less than 75% of the volume weighted average market price (**VWAP**) of equity securities in the same class calculated over the 15 trading days on which trades are recorded immediately before:

- the date on which the price at which the equity securities are to be issued is agreed by the Company and the recipient of the securities; or
- if the equity securities are not issued within 10 Trading Days of the date in the paragraph above, the date on which the equity securities are issued.

#### c) Risk of economic and voting dilution

If Resolution 5 is approved by Shareholders and the Company issues equity securities under the additional 10% placement capacity, the existing ordinary Shareholders face the risk of economic and voting dilution as a result of the issue of equity securities which are the subject of this Resolution, to the extent that such equity securities are issued, including the risk that:

- the market price for the Company's equity securities may be significantly lower on the date of issue of the equity securities than on the date this approval is being sought; and
- the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities.

There were no equity securities issued during the year as part of the 15% placement capacity under ASX Listing Rule 7.1 and PNGX Listing Rule 7.1 and, further, there were no equity securities issued during the year as part of the additional 10% placement capacity under ASX Listing Rule 7.1A.

The following table shows:

- a) examples of possible dilution of existing Shareholders, on the basis of the closing market price of **\$0.74** per share on 3 May 2023 and the current number of fully paid ordinary shares on issue of **286,935,900** as at the date of this Notice, pursuant to the definition of variable “A” under ASX Listing Rule 7.1A.2;
- b) two examples where variable “A” has increased by 50% and 100%. Variable “A” is based on the number of fully paid ordinary securities the Company has on issue. The number of fully paid ordinary securities on issue may increase as a result of issues of fully paid ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- c) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

| Variable A in Listing Rule 7.1A |  |                             | Dilution                    |              |                              |
|---------------------------------|--|-----------------------------|-----------------------------|--------------|------------------------------|
|                                 |  |                             | \$0.37                      | \$0.74       | \$1.48                       |
|                                 |  |                             | 50% decrease in Issue Price | Issue Price  | 100% increase in Issue Price |
|                                 |  |                             |                             |              |                              |
|                                 | Current issued capital (Variable A)<br><br>286,935,900<br><br>Shares | Shares issued under LR 7.1A | 28,693,590                  | 28,693,590   | 28,693,590                   |
|                                 |  | Voting dilution             | 10%                         | 10%          | 10%                          |
|                                 |  | Funds raised                | \$10,616,628                | \$21,233,257 | \$42,466,513                 |
|                                 | 50% increase in Variable A<br><br>430,403,850<br><br>Shares          | Shares issued under LR 7.1A | 43,040,385                  | 43,040,385   | 43,040,385                   |
|                                 |  | Voting dilution             | 10%                         | 10%          | 10%                          |
|                                 |  | Funds raised                | \$15,924,942                | \$31,849,885 | \$63,699,770                 |
|                                 | 100% increase in Variable A<br><br>573,871,800<br><br>Shares         | Shares issued under LR 7.1A | 57,387,180                  | 57,387,180   | 57,387,180                   |
|                                 |  | Voting dilution             | 10%                         | 10%          | 10%                          |
|                                 |  | Funds raised                | \$21,233,257                | \$42,466,513 | \$84,933,026                 |

The table has been prepared on the following assumptions:

- all Shares have been issued;
- the Company issues the maximum number of equity securities available under the additional 10% placement capacity;
- the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the additional 10% placement capacity, based on that Shareholder’s holding at the date of the AGM;
- the table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1 and PNGX Listing Rule 7.1; and
- the issue of equity securities under the additional 10% placement capacity consists only of shares.

**d) Expiry of approval**

The Company will only issue the equity securities during the 10% Placement Period detailed in paragraph (a) above.

**e) Purpose for which new equity securities may be issued**

Under ASX Listing Rule 7.1A.3, the Company can only issue the equity securities for cash consideration. In such circumstances, the Company may use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition), continued development of the Company’s current assets, general working capital or a combination of each of these potential uses.

The Company will comply with the disclosure obligations under ASX Listing Rule 7.1A.4 upon issue of any equity securities under ASX Listing Rule 7.1A.

In the event Resolution 5 is approved, when the Company issues equity securities pursuant to the additional 10% placement capacity, it will give to the ASX:

- a list of allottees of the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- the information required by ASX Listing Rule 7.1A.4 for release to the market.

**f) Allocation policy**

Allocations will be made by the Company dependent on the prevailing market conditions at the time of any proposed issue pursuant to the additional 10% placement capacity. Allocations will be made considering, amongst other factors, the following:

- the time frame over which the Company will make placements under the approval;
- any specific intentions in relation to parties that it may approach to participate in a placement of equity securities;
- whether the Company will offer securities to existing security holders or any class or group of existing holders; and
- whether the securities will be offered exclusively to new investors who have not previously been security holders in the Company.

The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:

- the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broker advisers (if applicable).

The allottees under this facility have not been determined as at the date of this Notice of Meeting but may include new or existing Shareholders who are not related parties or associates of a related party of the Company.

**g) Detail of new issues under Listing Rule 7.1A for previous year**

No equity securities have been issued under ASX Listing Rule 7.1A2 during the last 12 months, details of which are required to be disclosed under ASX Listing Rule 7.3A.6.

**h) Voting Exclusion Statement**

A Voting Exclusion Statement is set out under Resolution 5 in the Notice of Meeting.

Resolution 5 is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by Shareholders who are entitled to vote on the Resolution, vote in favour.

***The Directors consider that having the added flexibility to issue securities without obtaining Shareholder approval afforded by ASX Listing Rule 7.1A is in the best interests of Kina and therefore recommend Shareholders vote in favour of this Resolution.***

**Resolution 6 Approval of the Kina Dividend Reinvestment Plan**

**Background**

ASX and PNGX Listing Rule 7.1 provides that a listed company must not, without prior approval of its shareholders, issue or agree to issue securities if the number of securities issued or agreed to be issued, or when aggregated with the number of securities issued by the company during the 12 months immediately preceding the date of issue or agreement, exceeds 15% of the number of shares on issue at the start of that 12-month period.

PNGX Listing Rule 7.2, exception 7(b) provides an exception to PNGX Listing Rule 7.1 so that an issue of securities under a dividend reinvestment plan is not calculated as part of the 15% limitation, provided the terms of the plan have been approved by the company's ordinary shareholders.

**Terms of the Kina Dividend Reinvestment Plan**

The terms of the Kina Dividend Reinvestment Plan (**DRP**) which have been approved by the Board are set out in full in Schedule 2. A summary of the material terms of the **DRP** is set out below:

- a) All Shareholders with an Australian, New Zealand, or Papua New Guinean address registered on the share register have the right to participate in the **DRP** and can do so by completing the Participation Form (for Australia/New Zealand address) or the Plan Statement (for PNG address).

- b) Shareholders can elect for full or partial participation and can change this for each Dividend (subject to forms being received before 5:00pm (AEST) on the first Business Day following the Record Date).
- c) Shares are allocated under the DRP at the Allocation Price, which is the Average Market Price of Shares during the Pricing Period, less the Discount (if any) determined by KSL from time to time, rounded in the manner determined by KSL. The Average Market Price is set using an arithmetic average of the daily Volume Weighted Average of the Company's shares traded on the ASX or PNGX respectively. The length of the Pricing period is a minimum of 5 days and a maximum of 20 days (as determined by the Board at its discretion) from and including the third Trading Day after the Record Date.
- d) Residual balances will be transferred to the next dividend (or remitted to the shareholder if they cease to participate in the DRP but continue to hold shares). However, if the shareholder is no longer a shareholder at the time of the next dividend, the residual balance is forfeited and KSL may, in its sole discretion, retain that residual balance or use those funds to make a donation to a charitable organisation chosen by KSL.
- e) The DRP may be modified, suspended, or terminated by the Directors at any time.
- f) The Board can determine for each Dividend whether to implement the DRP.
- g) The Board can determine for each Dividend whether a Discount will be applied to the DRP. Any Discount will be announced to the PNGX and ASX at the time.
- h) The Board can determine for each Dividend whether shares for the DRP will be issued or purchased, or combination of both.
- i) The DRP is only available to Papua New Guinean, Australian, and New Zealand shareholders.

### **Treatment of the DRP under ASX Listing Rules**

Although the PNGX Listing Rules generally mirror the ASX Listing Rules, there are some differences. One such difference is in the treatment of dividend reinvestment plans in the exceptions to Listing Rule 7.1 set out in Listing Rule 7.2. While the PNGX Listing Rules require shareholder approval, as described above, the ASX Listing Rules equivalent to PNGX Listing Rule 7.2, exception 7 (being ASX Listing Rule 7.2, exception 4) does not require shareholder approval for the exception to be available, provided the terms of the plan do not impose a limit on participation (eg, a dollar limit or maximum number of securities that can participate).

The terms of the DRP do not impose any such limitations on shareholder participation. Accordingly, ASX Listing Rule 7.2, exception 4 would operate to exclude any securities issued under the DRP from the calculation of the Company's 15% capacity in ASX Listing Rule 7.1 (or, if the resolution under Item 5 is approved, the additional 10% of placement capacity pursuant to ASX Listing Rule 7.1A).

If Shareholders approve Resolution 6, any issue of equity securities under the DRP will not use up any of Kina's 15% capacity under PNGX Listing Rule 7.1 on issuing equity securities without Shareholder approval. However, exception 7(b) 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 Listing Rule 10.14.

If Shareholders do not approve Resolution 6, then any issue of securities under the DRP will be included in calculating the Company's 15% capacity in 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 securities.

Resolution 6 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders present and entitled to vote on the resolution.

### **Purpose of the Kina Dividend Reinvestment Plan**

The purpose of the DRP is to:

- a) act as a capital management tool for the Company; and
- b) provide an efficient and economical mechanism for Shareholders to increase their shareholding in the Company.

***The Directors consider that being able to issue securities under the DRP without impacting Kina's placement capacity is in the best interests of Kina and therefore recommend that Shareholders vote in favour of Resolution 6.***

## SCHEDULE 1

### Summary of the terms of the Kina Performance Rights Plan

A summary of the material terms of the Kina Performance Rights Plan (**Plan**) rules is as follows:

|   |   |
|---|---|
| <b>Eligibility</b>                                | 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 ( <b>Eligible Participant</b> ).   |
| <b>Offers</b>                                     | 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).   |
| <b>Terms and conditions</b>                       | <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"> <li>any conditions required to be satisfied before Performance Rights will be granted;</li> <li>any performance, vesting or other conditions required to be satisfied before Performance Rights vest and may be exercised (<b>Vesting Conditions</b>);</li> <li>any period during which Vesting Conditions must be satisfied before Performance Rights vest (<b>Vesting Period</b>);</li> <li>the exercise period during which Performance Rights may be exercised, subject to the terms of the Plan and the offer (<b>Exercise Period</b>);</li> <li>any applicable issue price and/or exercise price;</li> <li>any disposal restrictions on Shares to be issued or transferred upon the exercise of Performance Rights; and</li> <li>any other specific terms and conditions applicable to the offer.</li> </ul> <p>The specific terms and conditions applicable to an offer must be set out in the offer invitation.</p> |
| <b>Performance Rights</b>                         | 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.  |
| <b>Ranking of Shares</b>                          | Shares issued upon vesting and or exercise of Performance Rights under the Plan will rank equally in all respects with Existing Shares.   |
| <b>Forfeiture of Performance Rights</b>           | <p>Performance Rights which are subject to Vesting Conditions (<b>Unvested Performance Rights</b>) may be forfeited:</p> <ul style="list-style-type: none"> <li>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;</li> <li>in certain circumstances if the participant's employment is terminated (<b>Cessation of Employment</b>); or</li> <li>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).</li> </ul>  |
| <b>Rights attaching to Performance Rights</b>     | The Performance Rights do not carry rights to dividends or voting rights prior to exercise.   |
| <b>Capital reconstructions</b>                    | 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.  |
| <b>Vesting and exercise of Performance Rights</b> | <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>   |
| <b>Lapse of Performance Rights</b>                | <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"> <li>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;</li> <li>the expiry of the exercise period (if any);</li> <li>in certain circumstances if the participant's employment is terminated (<b>Cessation of Employment</b>);</li> <li>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</li> <li>if the participant purports to deal in the Performance in breach of any disposal or hedging restrictions in respect of the Performance Right.</li> </ul>  |

|  |  |
|--|--|
| <b>Restrictions on Performance Right</b>                         | Except as permitted by the Board, Performance Rights must not be sold, transferred, encumbered, or otherwise dealt with.<br>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.   |
| <b>Waiver of vesting conditions</b>                              | 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.   |
| <b>New issues</b>  | A participant holding Performance Rights is not entitled to participate in any new issue of securities.  |
| <b>Bonus issues, pro-rata issues and capital reorganisations</b> | 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.  |
| <b>Winding up</b>  | 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.  |
| <b>Cessation of employment</b>                                   | The Plan contains certain provisions concerning the treatment of vested and unvested Performance Rights in the event that a participant ceases employment.   |
| <b>Change of control</b>   | 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.   |
| <b>Quotation</b>   | 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.   |
| <b>Trustee</b>   | 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.  |
| <b>Plan limit and compliance with laws</b>                       | 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.<br>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. |
| <b>Amendments</b>  | 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.  |



**SCHEDULE 2**  
**Dividend Reinvestment Plan Rules**

The Dividend Reinvestment Plan Rules are attached.

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## **DIVIDEND REINVESTMENT PLAN RULES**

Kina Securities Limited

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## 1. Definitions and interpretation

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The meanings of the terms used in this document are set out below:

### 1.1. Definitions

| Term                           | Meaning   |
|--------------------------------|---|
| <b>Allocated Shares</b>        | the Shares allocated to the Participant under the DRP.  |
| <b>Allocated or Allocation</b> | (a) the issue of new Shares; or<br>(b) the transfer of existing Shares, to a Participant under the DRP, as the case may be.   |
| <b>Allocation Price</b>        | in respect of an Allocation, the price at which those Shares are Allocated, calculated in accordance with ruleg.  |
| <b>ASX</b>                     | ASX Limited (ACN 008 624 691) or the market operated by ASX Limited (as the case may be).   |
| <b>Average Market Price</b>    | the arithmetic average of the daily volume weighted average price of Shares traded on ASX and PNGX (and/or any other market determined by the Company) during the relevant period of up to 10 consecutive Trading Days commencing on the third Trading Day following Record Date: <ul style="list-style-type: none"> <li>1.1.1. adjusted by the Company to ensure that, as far as reasonably possible, the calculation of entitlements is unaffected by the method of Allocation, given that the Allocation of Shares may occur by issue, transfer, or a combination of issue and transfer; and</li> <li>1.1.2. excluding any trades that the Company determines to exclude on the basis that the trades are not fairly reflective of natural supply and demand or are not in the ordinary course of trading on the relevant market.</li> </ul> |
| <b>Board</b>                   | the board of directors of the Company.  |

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|                                  |   |
|----------------------------------|---|
| <b>Business Day</b>              | has the meaning given in the Listing Rules.   |
| <b>Company</b>                   | Kina Securities Limited C1-10989 and all its subsidiaries.  |
| <b>Discount</b>                  | the percentage discount (if any) determined by the Company from time to time to be applied in calculating the Allocation Price per Share under rule 9.  |
| <b>Dividend</b>                  | any dividend per Share announced and payable by the Company.  |
| <b>Dividend Payment</b>          | for a Shareholder, the relevant Dividend multiplied by the number of Shares held by that Shareholder as at the relevant Dividend Record Date, subject to rule 19.3 and less any resident and/or non-resident withholding tax or any other amounts the Company is entitled or required to deduct from the payment. |
| <b>Dividend</b>                  | means the date, as determined by the Board, on which a Dividend is paid.  |
| <b>Dividend Record Date</b>      | the date and time, as determined by the Company, at which a person holds or is taken to hold Shares for the purpose of determining the entitlement of Shareholders to Dividends.  |
| <b>DRP</b>                       | the Company's dividend reinvestment plan to which these Rules apply, as varied from time to time.   |
| <b>DRP account</b>               | the account established and maintained by the Company for each Participant under the DRP.   |
| <b>Eligible Shareholder</b>      | has the meaning given in rule 3.  |
| <b>Employee Incentive Scheme</b> | Employee Incentive Scheme means each of the Employee Share Ownership Plan, Long Term Incentive Plan, Officer and Employee Option Plan and Share Purchase Plan or any other related incentive plans.   |
| <b>Full Participation</b>        | has the meaning given in rule 7.2.  |

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|                               |  |
|-------------------------------|--|
| <b>Last Election Date</b>     | the first Business Day following the Dividend Record Date for a Dividend, or such other date determined by the Company to be the last date to elect to participate in the DRP for a particular Dividend.   |
| <b>Listing Rules</b>          | the listing rules of ASX and PNGX and any other rules of ASX and PNGX which are applicable while the Company is admitted to the official list of ASX and PNGX, except to the extent of any waiver by ASX and PNGX.   |
| <b>Partial Participation</b>  | has the meaning given in rule 7.3.   |
| <b>Participating Shares</b>   | Shares which a Participant has validly elected for participation in the DRP or which are otherwise taken under these Rules to participate in the DRP.  |
| <b>Participant</b>            | a Shareholder some or all of whose Shares are Participating Shares.  |
| <b>Participation Notice</b>   | a form (including a Notice of Variation or Withdrawal), whether written or electronic, used to apply for, vary or withdraw participation in the DRP, as approved by the Company from time to time.   |
| <b>Pricing Period</b>         | <p>in respect of a Dividend, the period determined by the Company, being the period of 10 Trading Days (or such other period of not less than 5 Trading Days as the Board may determine in their absolute and unfettered discretion) commencing on and including the third Trading Day following the Record Date (<b>Commencement Date</b>) for that Dividend.</p> <p>For the avoidance of doubt, a Pricing Period may be extended by the Company to take account of any trading halts that occur during the Pricing Period.</p> |
| <b>Record Date</b>            | Has the meaning given in the ASX Listing Rules.  |
| <b>Related Body Corporate</b> | in relation to a body corporate, another body corporate that is related to the first-mentioned body by virtue of section 50 of the Corporations Act 2001 (Cth) in Australia or of the related provision of the <i>Companies Act 1997</i> in PNG.   |
| <b>Requirements</b>           | The Constitution of the Company, the Corporations Act 2001 (Cth), the Companies Act 1997 (PNG), the Capital Market Act 2015 (PNG), the   |

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Listing Rules and the operating rules of ASX and PNGX (and of any other relevant market determined by the Company).

|                       |   |
|-----------------------|---|
| <b>Rules</b>          | these rules of the DRP as varied or amended from time to time.  |
| <b>Share</b>          | a fully paid ordinary share in the capital of the Company.  |
| <b>Shareholder</b>    | a registered holder of Shares at a relevant Dividend Record Date as recorded in the Share Register.   |
| <b>Share Registry</b> | the share registry which maintains the Company's Share Register.  |
| <b>Share Register</b> | means the register of members maintained by the Company (or by the Company's duly appointed agent), including both the principal register and any branch registers or sub-registers   |
| <b>Trading Day</b>    | a full day on which Shares are quoted, and not suspended from quotation or made subject to a trading halt on ASX or PNGX, provided that a day on which ASX or PNGX is closed or on which trading on ASX and PNGX is suspended generally is not a Trading Day. |

#### 1.2. Interpretation

In these Rules headings are for convenience only and do not affect interpretation and unless the context requires otherwise:

- 1.2.1. words importing the singular include the plural and vice versa;
- 1.2.2. words importing a gender include any gender;
- 1.2.3. other parts of speech and grammatical forms of a word or phrase defined have a corresponding meaning;
- 1.2.4. any reference in these Rules to any enactment, part of an enactment or the Listing Rules includes a reference to that enactment, part or those Listing Rules as from time to time amended, consolidated, re-enacted or replaced and, in the case of an enactment, all regulations and statutory instruments issued under it;
- 1.2.5. a reference to a body, whether statutory or not:
  - i) which ceases to exist; or
  - ii) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions;

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- 1.2.6. a reference to dollars or \$ is to Australian currency; and
- 1.2.7. a reference to kina or PGK or K is to Papua New Guinean currency.
- 1.2.8. all references to time are to Sydney time.

## 2. Commencement of the DRP

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The DRP and these Rules will commence operation on such date as the Company in its sole discretion determines.

## 3. Eligibility to participate

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- 3.1. The Company may from time to time invite Shareholders to participate in the DRP.
- 3.2. Participation in the DRP is subject to these Rules.
- 3.3. Participation in the DRP by Eligible Shareholders:
  - 3.3.1. Is optional and voluntary;
  - 3.3.2. Is not transferable; and
  - 3.3.3. May be varied or terminated at any time in accordance with rule 13.
- 3.4. Subject to rules 3.5, 3.6 and 3.7, an Eligible Shareholder is, in respect of a particular Dividend Record Date, a person who at that Dividend Record Date, was recorded in the Company's share register as a registered holder of at least the Minimum Participating Holding (if any) and whose address in the Company's share register at the relevant Dividend Record Date:
  - 3.4.1. Is in Australia, New Zealand, or Papua New Guinea; or
  - 3.4.2. Is in a jurisdiction in which the Company is satisfied that the offer and issue or transfer of Shares under the DRP is lawful and practicable.
- 3.5. The Board may determine that:
  - 3.5.1. A Shareholder, or a class of Shareholders, are not Eligible Shareholders if they are, or hold Shares on behalf of other persons who are, resident outside the jurisdictions mentioned in rule 3.4; and
  - 3.5.2. A Shareholder, or a class of Shareholders, are Eligible Shareholders notwithstanding that they are resident outside the jurisdictions mentioned in rule 3.4
- 3.6. The Board is entitled to make a final determination as to whether a particular Shareholder is an Eligible Shareholder for the purposes of these Rules, and to change any such determination, as and when it sees fit. In making this determination, the Board may consider, among other things, whether such participation would or may be impracticable, impossible, or illegal, and any actual or anticipated inconvenience or expense in allowing or investigating the possibility of allowing, such

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participation, including, without limitation, as to the grant or refusal to receive relevant regulatory approvals/exemptions required in Papua New Guinea.

- 3.7. The Board has the absolute discretion to refuse to accept any person's Shares for participation in the DRP and to suspend or withdraw any person's Shares from participation (including declining to Allocate or reducing the Allocation Shares under the DRP to a Participant) if the Company considers that the participation of those Shares might:
- 3.7.1. Breach any law of Australia, New Zealand or Papua New Guinea (where applicable) including any law relating to foreign acquisition and takeover, the Listing Rules, or the KSL Constitution; or
- 3.7.2. Otherwise prejudice the effective operation of the DRP.
- 3.8. Shares that are held subject to an Employee Incentive Scheme are not eligible to participate in the DRP unless the:
- 3.8.1. Employee Incentive Scheme does not prohibit Shares that are held under the Employee Incentive Scheme from participating in the DRP; and
- 3.8.2. Board resolves to allow the Shares that are held under the Employee Incentive Scheme to participate in the DRP.
- 3.9. Before electing to participate in the DRP, shareholders should seek professional advice to ascertain if any restrictions apply either in Australia, PNG, New Zealand or the country in which they are resident.

#### **4. Multiple Holdings**

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- 4.1. Where an Eligible Shareholder has more than one holding of Share:
- 4.1.1. Each holding will be treated as separate for the purposes of the DRP, such that a separate Participation Notice must be lodged with respect to each separate holding that is to participate; and
- 4.1.2. These Rules will apply as if each such holding were held by a separate Participant, unless the Board determines otherwise.
- 4.2. If the Shares are jointly held by two or more Eligible Shareholders and one or more of the joint holders of the Shares is not an Eligible Shareholder, none of the joint holders can apply to participate in the DRP with respect to the Shares jointly held.
- 4.3. A Participation Notice by joint Shareholders must be signed by all Shareholders.

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## 5. Broker, Trustee, or Nominee Accounts

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If a shareholding account appearing in the Company's Share Register relates to a broker's clearing account, a trustee or a nominee, and the broker, trustee or nominee:

- 5.1.1. notifies the Company that the relevant Shares are held for a number of different persons; and
- 5.1.2. in such notice specifies the number of Shares held for each of such persons as at a particular Dividend Record Date (although the names of such persons need not be specified),

then each such holding shall, as at that Dividend Record Date, be taken to represent a separate Shareholder for the purpose of the Minimum Participating Holding (if any) and the Maximum Participating Holding (if any) and these Rules will be read and interpreted accordingly.

## 6. Application to participate

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- 6.1. An application to participate in the DRP must be made by submitting a Participation Notice in accordance with rule 18 and following any instructions provided with the Participation Notice. An Eligible Shareholder's participation in the DRP will take effect in accordance with rule 18.2
- 6.2. A Participation Notice validly submitted or otherwise accepted by the Company remains in effect until:
  - 6.2.1. The Participant varies or terminates participation in the DRP under these Rules;
  - 6.2.2. The Company terminates the DRP under rule 15; or
  - 6.2.3. The Participant ceases to be an Eligible Shareholder under rule 3, in which case the Participation Notice will become effective again if and at such time as the Shareholder recommences to be an Eligible Shareholder provided that the Participant has not terminated their participation in the DRP.

## 7. Extent of participation

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- 7.1. Participation may be either full or partial. A Participation Notice must specify whether the Shareholder has elected Full Participation or Partial Participation, and if Partial Participation is elected, the Participation Notice must clearly specify the number of Shares that are to be Participating Shares.
- 7.2. Full Participation means that all Shares registered in the Participant's name from time to time (subject to the Maximum Participating Holding (if any)) are Participating Shares. Where a Shareholder has elected Full participation, all Shares subsequently acquired and held by that Participant (whether under DRP or otherwise) will be Participating Shares subject to:
  - 7.2.1. The Requirements;
  - 7.2.2. Any later Participation Notice submitted by that Participant; and
  - 7.2.3. The Maximum Participation Holding (if any).

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- 7.3. Partial Participation means that only the number of Shares specified as participating in the Participation Notice by the Shareholder are Participating Shares (subject to the Maximum Participating Holding (if any)).
- 7.4. If at the relevant Dividend Record Date the number of Shares held by the Participant is less than the specified number of Shares, the DRP applies to the lesser number of Shares (and the Participant is deemed to have lodged a Participation Notice to this effect). This means that where a Shareholder has elected Partial Participation, shares in excess of the number specified as participating that are subsequently acquired by that Shareholder (whether under the DRP or otherwise), will not participate in the DRP unless that Shareholder submits a further Participation Notice in accordance with rule 13.
- 7.5. If a Participation Notice does not, in the opinion of the Company, clearly indicate the level of participation in the DRP, it will be deemed to be an application for Full Participation.
- 7.6. Participating Shares will participate in the DRP and dividends paid on those Participating Shares will be reinvested in new Shares in accordance with these Rules.
- 7.7. Shares which are sold or otherwise transferred to a new Shareholder Number will cease to participate in the DRP on registration of the transfer by or on behalf of the Company.

## 8. Reinvestment of Dividends and residual balances

- 8.1. Each Dividend Payment payable to a Participant in respect of Participating Shares will be applied by the Company on the Participant's behalf in acquiring additional Shares by issue or transfer in accordance with these Rules.
- 8.1.1. Any cash dividend so payable will not be available for the purpose of participating in the DRP where, in accordance with the Constitution of the Company or otherwise by law
- 8.1.2. the Company is, or would be, entitled to retain all or part of any dividend which is, or would be, payable in respect of any shares held in the participating shareholding account; or
- 8.1.3. the Company is, or would be, entitled to a charge or lien over any shares held in the participating shareholding account, or over any dividend payable in respect of any such shares
- In particular, if withholding tax is payable in the case of overseas DRP Participants or there is otherwise a requirement to deduct an amount in respect of tax, that tax will be deducted from the amount payable by way of dividend and only the balance applied in subscribing for shares.
- 8.2. The Company will establish and maintain a DRP account for each Participant. In respect of each Dividend payable to a Participant, the Company will:
- 8.2.1. Determine the Dividend Payment in respect of that Participant's Participating Shares;

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- 8.2.2. Credit the amount in rule 8.2.1 to the Participant's DRP account, and that payment constitutes payment of the Dividend on the Participant's Participating Shares;
  - 8.2.3. Determine the maximum whole number of additional Shares which may be acquired under the DRP at the Allocation Price by dividing the amount in the Participant's DRP account by the Allocation Price and rounding that number down to the nearest whole number;
  - 8.2.4. Subscribe for or purchase the number of Shares determined under rule 8.2.3 on behalf of and in the name of the Participant's DRP account with the total of the Price for the Allocated Shares; and
  - 8.2.5. Retain in the Participant's DRP account, without interest and on the terms set out in these Rules, any cash balance remaining (rounded down to the nearest cent or where applicable, toea) unless and until the cash balance is applied in accordance with these Rules.
- 8.3. Subject to rule 8.4, any residual balance in a Participant's DRP account will be aggregated with any further Dividend Payment credited to the DRP account.
- 8.4. Where:
- 8.4.1. The DRP is suspended or terminated by the Company pursuant to these Rules; or
  - 8.4.2. The Participant ceases to participate in the DRP for whatever reason (yet retains shares), any positive dividend balance in the Participant's DRP account at that time will be paid to the Participant (net of any withholdings) at the time of the next dividend. Participants with a Papua New Guinean address on the Register will have their dividend paid in PGK; or
  - 8.4.3. The Shareholder is no longer a shareholder at the time of the next dividend, the dividend balance is forfeit and KSL may, in its sole discretion, retain that residual balance or use those funds to make a donation to a charitable organization chosen by KSL.
  - 8.4.4. The DRP will not operate in relation to a dividend to the extent that the allotment or transfer of Shares under the DRP would breach the Requirements or any other applicable law to which the DRP or its operation is subject.

## 9. Price of Shares

- 9.1. Shares are allocated under the DRP at the Allocation Price, which is the Average Market Price of Shares during the Pricing Period, less the Discount (if any) determined by the Company from time to time, and rounded in the manner determined by the Company. The determination by the Company of the Allocation Price is binding on all Participants.
- 9.2. The Average Market Price must be calculated by the Company or another suitable person nominated by the Company, by reference to information the Company approves for that purposes from time to time.
- 9.3. A Discount (if any) or Pricing Period may be different from one Dividend to the next, and either may be determined or varied by the announcement on the Company's website and to ASX and PNGX at any time.

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- 9.4. The Allocation Price of Shares of Participating Shareholders with a Papua New Guinean address on the Register will have their Allocation Price calculated in PGK.

## 10. Allocation of Shares

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- 10.1. The Company may, in its discretion, either:
- 10.1.1. Issue new Shares; or
  - 10.1.2. Cause existing Shares to be acquired for transfer to Participants; or
  - 10.1.3. Undertake any combination of the options above;  
To satisfy the Company's obligations under these Rules.
- 10.2. If the Company decides to cause the transfer of Shares to Participant, those Shares may be acquired in such a manner as the Company considers appropriate.
- 10.3. All Shares newly issued under the DRP will, from the date of Allocation, rank equally in all respects with existing Shares unless the Company determines that they are not to participate in either or both of:
- 10.3.1. The next Dividend paid; and
  - 10.3.2. Any offer of Shares open when the Shares are issued under the DRP.
- 10.4. Shares will be Allocated within the time required by ASX and PNGX.
- 10.5. Where the Shares Allocated pursuant to the DRP are not quoted on ASX and PNGX at the time the Allocation is effected, the Company will apply (or procure the application) for quotation of those Shares on ASX or PNGX within the time required by the respective Listing Rules.
- 10.6. Where a Participant lodges separate applications in respect of parcels of Shares held by that Participant identified in the Register by a separate Shareholder number, the Shares will be registered on the same Register as the Participant's Shares to which the application relates.
- 10.7. The holder of a partly paid Share is not entitled to a greater proportion of a Dividend than the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluded amounts credited). Amounts paid in advance of a call are ignored when calculating the proportion.

## 11. DRP Statements

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The Company must forward to each Participant as soon as practicable after each Dividend Payment Date a statement detailing:

- 11.1. The number of the Participant's Participating Shares as at the relevant Dividend Record Date;
- 11.2. The amount of the relevant Dividend Payment in respect of the Participant's Participating Shares (including any amounts deducted from the Dividend payable);

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- 11.3. The amount (if any) in the Participant's DRP account immediately prior to the payment of the relevant Dividend;
- 11.4. The number of Shares Allocated to the Participant under these Rules and the date of Allocation of those Shares;
- 11.5. The cash balance (if any) retained in the Participant's DRP account after deduction of the amount payable on Allocation of the additional Shares.
- 11.6. The Participant's total holding of Shares after Allocation;
- 11.7. The Allocation Price of each Share Allocated to the Participant;
- 11.8. The franked amount (if any) of the Dividend Payment and the franking credit (if any) attached to the Dividend; and
- 11.9. Any other matters required by law to be included in the statement.

## 12. The effect of applying of participation

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By applying to participate in the DRP, the applicant:

- 12.1. Warrants to KSL that it is an Eligible Shareholder;
- 12.2. Acknowledges that Dividends reinvested under the DRP will be assessable for applicable income tax in the same way as cash Dividends;
- 12.3. Authorizes the Company (and its officers or agents) to correct any error in, or omission from, any other notice or application contemplated by rule 18 (including, but not limited to, a Participation Notice);
- 12.4. Acknowledges that the Company may at any time irrevocably determine that the applicant's participation Notice is valid, in accordance with these Rules, even if the Participation Notice is incomplete, contains errors or is otherwise defective.
- 12.5. Acknowledges that the Company may reject any Participation Notice at its absolute discretion;
- 12.6. Consents to the establishment of a DRP account on its behalf;
- 12.7. Consents to any entitlement to a fraction of a Share produced by the calculation in rule 8.2 being dealt with in accordance with rule 8;
- 12.8. Agrees to the appointment of the Company, or a nominee (including a broker or the Share Registry) appointed by the Company, as the Participant's agent to acquire Shares where the Company decides to Allocate Shares to Participants by acquiring existing Shares in accordance with rule 10 (and the applicant agrees to the Company or its nominee taking all steps necessary to register the Shares in the applicant's name, including the execution of any share transfers required);
- 12.9. Acknowledges that the Company may, in its absolute discretion, arrange for the DRP to be fully or partially underwritten in respect of any one or more Dividends with one or more underwriters;
- 12.10. Acknowledge that neither the Company nor the Share Registry has provided the applicant with investment advice, financial product advice or any securities recommendation concerning its decision to apply to participate in the DRP and that neither has any obligation to provide any such advice or recommendation; and

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12.11. Unconditionally agrees to the Rules and agrees not to do any act or thing which would be contrary to the spirit, intention, or purpose of the DRP, or the Rules,

in each case, at all times until termination of the DRP or the cessation of the Participant's participation in the DRP.

### **13. Variation or termination of participation**

---

13.1. A Participant may at any time may:

13.1.1. Increase or decrease the number of Shares participating in the DRP; or

13.1.2. Terminate the Participant's participation in the DRP

by completing and submitting a Participation Notice in accordance with the instructions provided with the Participation Notice. The alteration or termination takes effect in accordance with rule 18.

13.2. If a Participant increases its level of participation to Full Participation, rule 7.2 applies.

13.3. If a Participant dies, participation in the DRP terminates upon receipt by the Company of written notice of death. If a Participant is declared bankrupt or is wound-up, participation in the DRP terminates upon receipt by the Company of a notification of bankruptcy or winding-up, or a court order from the Participant or the Participant's trustee in bankruptcy or liquidator, as the case may be. The death, bankruptcy, or winding-up of one or more joint holders does not automatically terminate participation provided the remaining holder or all remaining joint holders are Eligible Shareholders.

### **14. Reduction or termination of participation where no notice is given**

---

14.1. Where all of a Participant's Shares are Participating Shares and the Participant disposes of some (but not all) of those Shares, then subject to rule 13.1 and any Minimum Participation Holding requirements (if any), the remaining Shares held by the Participant continues to be Participating Shares.

14.2. Where only some of a Participant's Shares are Participating Share and the Participant disposes of part of the Participant's total holding, then the Shares disposed of are deemed not to be Participating Shares. If the number of Shares disposed of is more than the number of the Participant's Shares not participating in the DRP, the disposal is deemed to include all Participant's holding not participating in the DRP, and the balance (if any) will be attributed to Participating Shares.

14.3. Where a Participant disposes of all its Shares, the Participant is deemed to have terminated participation in the DRP with respect to the holding on the date the Company registered a transfer or instrument of disposal of the Participant's holding

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## 15. Variation, suspension, and termination of the DRP or these Rules

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- 15.1. The DRP or these Rules may be varied, suspended or terminated by the Company at any time by notifying on the Company's website and by notice to ASX and PNGX. For the avoidance of doubt, where the Company has announced that the DRP will operate in respect of a Dividend, the Company retains the discretion to suspend the DRP in respect of that Dividend at any time prior to the Dividend Payment Date.
- 15.2. The variation, suspension, and termination takes effect upon the date specified by the Company, and the variation, suspension, or termination does not give rise to any liability on the part of, or right of action against, the Company, its subsidiaries, or its officers, employees, or agents.
- 15.3. If the DRP or these Rules are varied, a Participant continues to participate under the DRP and these Rules in their varied form continue to apply unless the Participant terminates its participation in the DRP by submitting a Participation Notice in accordance with these Rules.
- 15.4. If the DRP is suspended, an election as to participation in the DRP will also be suspended and all Shares are deemed to be non-Participating Shares for the purpose of any Dividend paid while the DRP is suspended.
- 15.5. Any suspension under rule 15.4 will continue until such time as the Board resolves to recommence or terminate the DRP.
- 15.6. The DRP may be reinstated following a suspension in accordance with this rule 15 by notification on the Company's website and by notice to ASX and PNGX where applicable. Upon reinstatement of the DRP, all prior elections will be reinstated and will continue to apply until a new valid Participation Notice or Notice of Variation form is lodged, unless the Company determines otherwise.

## 16. Costs to Participants

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No brokerage, commission, or other transaction costs are payable by the Participants in respect of Shares Allocated under the DRP. The Company may, to the extent permitted by law, apply its funds in the payment of brokerage, commission, or other transaction costs in respect of Shares Allocated under the DRP. Participants must bear their own costs in relation to legal or financial advice regarding whether to participate in the DRP.

## 17. Taxation

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Neither the Company nor any of its officers, employees, representatives or agents:

- 17.1. Take any responsibility or assume any liability for, or as a consequence of, the tax liabilities of any person in connection with the DRP; or

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- 17.2. Represent or warrant that any person will gain any taxation advantage or will not incur a taxation liability or disadvantages as a result of participation in the DRP.

## 18. Applications and other notices

- 18.1. Applications and notices to the Company must be in the form prescribed by the Company from time to time. The Company may determine that applications and notices to the Company may be lodged electronically either through the Company's website or that of an authorized third party (including the Share Registry). Any application or notice must comply with any instructions provided with the application or notice and the terms and conditions of the electronic lodgement facility (if applicable)
- 18.2. Subject to rules 18.3 and 18.4, applications and notices are effective upon receipt by the Company or the Share Registry (as appropriate)
- 18.3. Applications or notices received after 5:00pm (AEST) on the Last Election Date for a Dividend are not effective in respect of that Dividend but are effective in respect of subsequent Dividends, unless the Company determines otherwise.
- 18.4. Without limiting rule 12.3, the Company may:
- 18.4.1. Accept or reject an application or notice which is not properly completed or signed; and
  - 18.4.2. Prior to acceptance, clarify with an Eligible Shareholders any instruction with respect to an application/notice in order for the application/notice to be properly completed.
- 18.5. The accidental omission by the Company to give any notice under these Rules to any Shareholder, ASX, PNGX, or any other person will not invalidate any act, matter or thing.
- 18.6. For the purpose of this rule 18, an application or notice includes, but is not limited to, a Participation Notice.
- 18.7. Separate notices or applications must be given in respect of each parcel of Shares identified in the Register by a separate Shareholder Number and a Shareholder is deemed for the purposes of the DRP to be a separate Shareholder in relation to each parcel of Shares identified by a separate Shareholder number.

## 19. General

- 19.1. The Company will record, with respect to each Participant:
- 19.1.1. The name and address of the Participant (being the name and address in the Company's share register from time to time); and
  - 19.1.2. The number of Participating Shares held by the Participant from time to time.
- The Company's records are conclusive

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- 19.2. Any power, discretion or function of the Company or Board under these Rules may be exercised or undertaken by the Board, and the Board may delegate any such power, discretion or function to any person.
- 19.3. If the Company is entitled to retain a Dividend payable on Participating Shares, as a result of a charge or lien in favour of the Company in accordance with the constitution of the Company, or other requirement of law, that Dividend is not available for the purpose of participating in the DRP.
- 19.4. Subject to the constitution of the Company, the Company may:
- 19.4.1. Implement the DRP in the manner the Company thinks fit; and
  - 19.4.2. Settle any difficulty, anomaly or dispute which may arise either generally or in a particular case in connection with, or by reason of, the operation of the DRP or these Rules and the Company thinks fit, whether generally or in relation to any Shareholder or DRP account or any Shares, and the determination of the Company is conclusive and binding on all relevant Shareholders and other person to who the determination relates.
- 19.5. Neither the Company nor any officer, employee, agent, or adviser of it is liable or responsible to any Shareholder or Participant for any loss or alleged loss or disadvantage suffered or incurred by them as a result, directly or indirectly, of any one or more of:
- 19.5.1. The establishment or operation of the DRP;
  - 19.5.2. Participation or non-participation in the DRP;
  - 19.5.3. Any advice given with respect to participation in the DRP by any person.
- 19.6. The DRP, its operation and these Rules are governed by the laws of Papua New Guinea (where applicable), the State of New South Wales, and each Shareholder submits to the jurisdiction of the Courts of that Stat and the Courts which may hear appeals from those Courts.
- 19.7. Despite anything else in these Rules, the Listing Rules prevail to the extent of any inconsistency with these Rules.

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## LODGE YOUR VOTE

 **ONLINE**  
<https://investorcentre.linkgroup.com>

 **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**  
Link Market Services Limited  
Level 12, 680 George Street, Sydney NSW 2000

 **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:

### 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 **10:00am (Port Moresby time I AEST) on Friday, 9 June 2023**, 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 **10:00am (Port Moresby time I AEST) on Friday, 9 June 2023 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in: Online at <https://meetings.linkgroup.com/KSL23> (refer to details in the Virtual Meeting Online Guide).

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

## 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

1 Re-election of Director  
- Karen Smith-Pomeroy

For Against Abstain\*

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

5 Approval of 10% Placement Facility

For Against Abstain\*

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

2 Appointment of Auditor

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

6 Approval of the Kina Dividend  
Reinvestment Plan

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

3 Grant of Performance Rights to  
Managing Director and Chief Executive  
Officer for FY2022

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

4 Approval of the Kina Performance  
Rights Plan

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <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.

## SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

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).

**KSL PRX2301N**

For personal use only

STEP 1 Please mark either A or B

STEP 2

STEP 3



## 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 Proxy 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 Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Port Moresby time | AEST) on Wednesday, 7 June 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or



#### ONLINE

<https://investorcentre.linkgroup.com>

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\*  
Level 12  
680 George Street  
Sydney NSW 2000

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

For personal use only



**LODGE YOUR VOTE**

**EMAIL**  
 pngregistries@linkgroup.com

**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**
**VOTING FORM**

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

**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 **10:00am (Port Moresby time I AEST) on Friday, 9 June 2023**, 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 **10:00am (Port Moresby time I AEST) on Friday, 9 June 2023 (the Meeting)** and at any postponement or adjournment of the Meeting.

 The Meeting will be conducted as a virtual meeting and you can participate by logging in: Online at <https://meetings.linkgroup.com/KSL23> (refer to details in the Virtual Meeting Online Guide).

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

 1 Re-election of Director  
 - Karen Smith-Pomeroy

2 Appointment of Auditor

 3 Grant of Performance Rights to  
 Managing Director and Chief Executive  
 Officer for FY2022

 4 Approval of the Kina Performance  
 Rights Plan

**For Against Abstain\***

|                          |                          |                          |
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| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
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5 Approval of 10% Placement Facility

 6 Approval of the Kina Dividend  
 Reinvestment Plan

**For Against Abstain\***

|                          |                          |                          |
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| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
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\* 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.

**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).

**KSLP PRX2301N**

For personal use only

**STEP 1** Please mark either A or B

**STEP 2**
**STEP 3**




## 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 Proxy 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 Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Port Moresby time | AEST) on Wednesday, 7 June 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy 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

pngregistries@linkgroup.com



#### BY HAND

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

For personal use only

# Virtual Meeting Online Guide

For personal use only

## Before you begin

Ensure your browser is compatible.  
Check your current browser by going to the website: **[whatismybrowser.com](http://whatismybrowser.com)**

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Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer – 11 and up
- Microsoft Edge – 92.0 and after

**To attend and vote you must have your securityholder number and postcode.**

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

**Please make sure you have this information before proceeding.**

# Virtual Meeting Online Guide

## Step 1

Open your web browser and go to <https://meetings.linkgroup.com/KSL23>

## Step 2

Log in to the portal using your full name, mobile number, email address, and participant type.

Please read and accept the terms and conditions before clicking on the blue **'Register and Watch Meeting'** button.

- On the left – a live webcast of the Meeting starts automatically once the meeting has commenced. If the webcast does not start automatically please press the play button and ensure the audio on your computer or device is turned on.
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

**Note:** If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

## 1. Get a Voting Card

To register to vote – click on the 'Get a Voting Card' button.

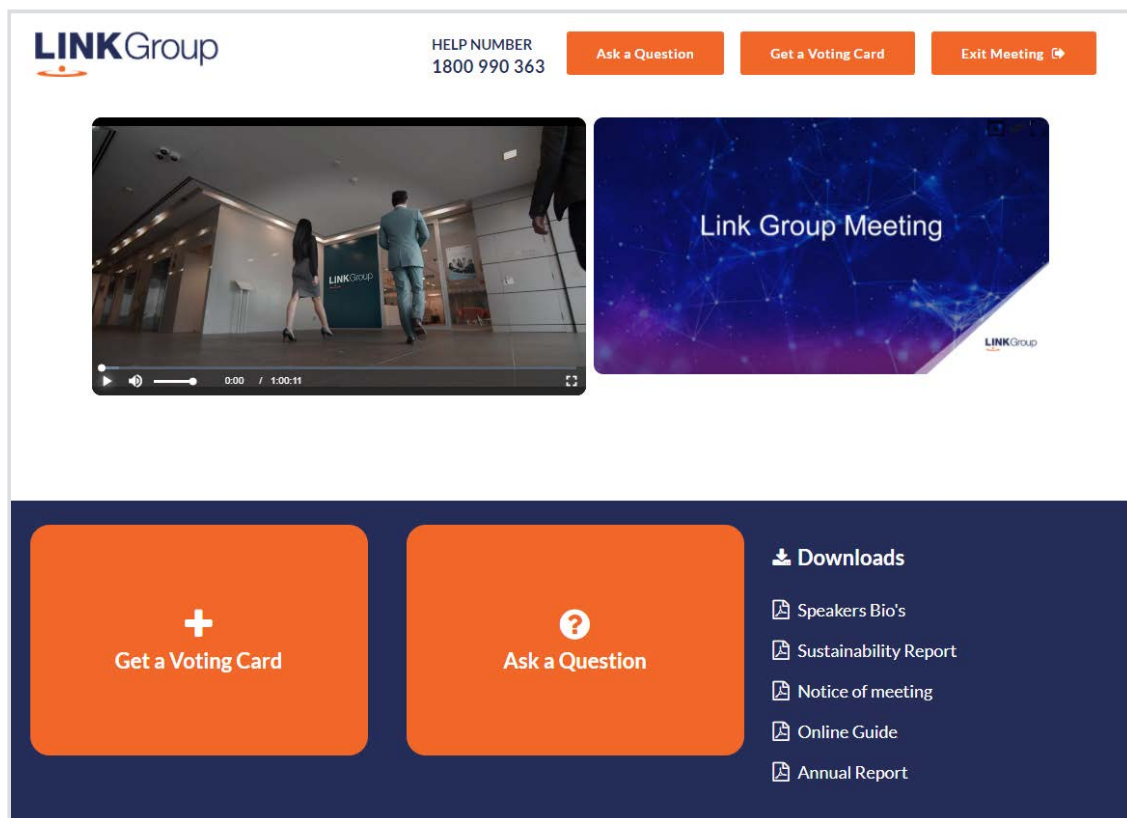
This will bring up a box which looks like this.

If you are an individual or joint securityholder you will need to register and provide validation by entering your securityholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by Link in the PROXY DETAILS section. Then click the **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by securityholders at the 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 view all resolutions.

Securityholders and proxies can either submit a Full Vote or Partial 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 (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 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 on the **'Submit Vote'** or **'Submit Partial Vote'** button.

**Note:** You can close your voting card 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.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

Once voting has been closed all submitted voting cards cannot be changed.



# Virtual Meeting Online Guide *continued*

## 2. How to ask a question

**Note:** Only verified Securityholders, Proxyholders and Company Representatives are eligible to ask questions.

If you have yet to obtain a voting card, you will prompted to enter your securityholder number or proxy details before you can ask a question. To ask a question, click on the 'Ask a Question' button 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** Nothing selected

**Question**

Type your question here...

Characters left: 532 Characters: 0

**Submit Question**

In the '**Regarding**' section click on the drop down arrow and select the category/resolution for your question.

Click in the '**Question**' section and type your question and click on 'Submit'.

A '**View Questions**' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

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

**View Questions**

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

When will the next Meeting be held? +

Asked regarding Resolution 1

Asked at: 12:26 PM Updated: 12:26 PM

**OPEN COMMENTS**

**SUBMIT ANOTHER QUESTION**

## 3. Downloads

View relevant documentation in the Downloads section.

## 4. Voting closing

Voting will end 5 minutes after the close of the Meeting.

At the conclusion of the 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 submitted your vote, you should do so now.

## 5. Phone Participation

### What you will need

- a) Land line or mobile phone
- b) The name and securityholder number of your holding/s
- c) To obtain your unique PIN, please contact Link Market Services on +61 1800 990 363

### Joining the Meeting via Phone

#### Step 1

From your land line or mobile device,  
call: +61 XXXX XXX XXX

#### Step 2

You will be greeted with a welcome message and provided with instructions on how to participate in the Meeting. Please listen to the instructions carefully.

At the end of the welcome message you will be asked to provide your PIN by the moderator. This will verify you as a securityholder and allow you to ask a question on the resolutions at the Meeting.

#### Step 3

Once the moderator has verified your details you will be placed into a waiting room where you will hear music playing.

Note: If your holding cannot be verified by the moderator, you will attend the Meeting as a visitor and will not be able to ask a question.

#### Step 4

At the commencement of the Meeting, you will be admitted to the Meeting where you will be able to listen to proceedings.

## Asking a Question

### Step 1

When the Chairman calls for questions or comments on each item of business, **press \*1** on your keypad for the item of business that your questions or comments relates to. If at any time you no longer wish to ask a question or make a comment, you can lower your hand by **pressing \*2** on your keypad.

### Step 2

When it is time to ask your question or make your comment, the moderator will introduce you to the meeting. Your line will be unmuted and you will be prompted to speak. If you have also joined the Meeting online, please mute your laptop, desktop, tablet or mobile device before you speak to avoid technical difficulties for you and other shareholders.

### Step 3

Your line will be muted once your question or comment has been asked / responded to

## Contact us

### Australia

T +61 1800 990 363

E [info@linkmarketservices.com.au](mailto:info@linkmarketservices.com.au)