



Securities Trading Policy

Document Number: kwpol:8/2015

Classification: Internal



Table of contents

Document Control	3
Document Information	3
Document History	3
Document Approval	3
1. Introduction	4
1.1 Purpose	4
1.2 Definitions	4
1.2.1 Dealing includes:	4
1.2.2 Inside information means information that:	4
1.2.3 Securities includes:	5
1.2.4 Persons to whom this policy applies	5
1.3 Restrictions on dealing in securities	5
1.3.1 No trading when in possession of inside information	5
1.3.2 Other prohibited dealings – Blackout Periods	5
1.3.3 Exceptional circumstances	6
1.3.4 Other permitted dealings	6
1.4 Margin lending	7
1.5 Hedging of Company securities	7
1.6 Exclusions	7
1.7 Securities in other companies	8
1.8 Breach	8
1.9 Director notification requirements	9
1.10 Insider trading	9
1.11 Who to contact	9
1.12 ASX Listing Rule requirements	9
1.13 Review of this Policy	9

Document Control

Document Information

DETAILS	INFORMATION
Name:	Securities Trading Policy
Owner:	Chief Financial Officer
Document Status:	Current
Review cycle required:	Annually from the date of Approval and or when necessary

Document History

DATE	REVIEW	BY	IDENTIFIER	VERSION
21/06/16	Approved	Board	kwpol:8/2015	1.0
08/03/17	Approved	Board	kwpol:8/2015	1.1
26/04/18	Submitted	Board	kwpol:8/2015	1.2

Document Approval

ACTION	SIGNATURE	DATE
Approved	Board	21/06/16
Approved	Board	08/03/17
Approved	Board	26/04/18

1. Introduction

As a public company, Kina is bound by laws governing the conduct for buying, selling and otherwise dealing in securities.

1.1 Purpose

The purpose of this Policy is to:

- Explain the types of conduct in dealing in securities that are prohibited under the Papua New Guinea Securities Act, the Australian Corporations Act 2001 (Cth) and the ASX Listing Rules. Such prohibitions apply to all directors and personnel of the Company and its related bodies corporate as defined in the Papua New Guinea Securities Act and the Australian Corporations Act 2001 (collectively, the Kina Group); and
- Establish a best practice procedure for the buying and selling of securities that protects the Company, its directors and personnel against the misuse of unpublished information which could materially affect the value of securities.

The Company aims to achieve the highest possible standards of corporate conduct and governance. The Board the Company considers that compliance with this Policy is essential for all directors and personnel of Kina to meet the highest standards of conduct.

Any non-compliance with this Policy will be regarded as serious misconduct which may entitle the Company to take disciplinary action.

It is essential that all directors and personnel of the Company read, understand and comply with this Policy. Should you be unsure about any aspect of the Policy, please contact the Company Secretary.

1.2 Definitions

For the purpose of this Policy:

1.2.1 Dealing includes:

- buying or otherwise applying for securities, whether on or off market;
- selling or otherwise disposing of securities, whether on or off market;
- arranging for someone else to buy, sell or otherwise apply for or dispose of securities;
- margin lending, stock lending or other financing arrangements related to securities;
- issuing, underwriting or varying the terms of securities; and
- transferring legal ownership of securities, even where beneficial ownership does not change.

1.2.2 Inside information means information that:

- is not generally available; and
- if it were generally available, it would, or would be likely to, have a material effect on the price or value of those securities. This is satisfied where the information would, or would be likely to, influence investors in deciding whether to buy or sell securities,
- and can include information which is of an uncertain nature, rumours, matters of supposition, matters relating to the intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public.

1.2.3 Securities includes:

- shares;
- options;
- notes, bonds and other debentures;
- interests in managed investment schemes, trusts and other financial products; and
- any derivatives of those securities, including equity swaps, futures, hedges and exchange-traded or over-the-counter options, whether settled by cash or otherwise.

1.2.4 Persons to whom this policy applies

Unless otherwise stated, this Policy applies to:

- all directors and officers of the Kina Group (including the CEO);
- all direct reports to the CEO and their direct reports;
- any other personnel designated by the Board (collectively with the persons described in the first two bullets, Kina Personnel); and
- closely related parties (as that term is defined in the Australian Corporations Act 2001) of all Kina Personnel.

In this Policy, the persons listed above are called Relevant Persons.

Where this Policy requires a Relevant Person to do something (e.g., obtaining clearance in accordance with 1.3.4), that person must also do so for their closely related parties.

1.3 Restrictions on dealing in securities

1.3.1 No trading when in possession of inside information

All Relevant Persons and all employees must not deal in the Company's securities where:

- they are in possession of inside information; or
- the Company is in possession of inside information and has notified Relevant Persons that they must not deal in securities (either for a specified period, or until the Company gives further notice).

1.3.2 Other prohibited dealings – Blackout Periods

Blackout Periods are times when Relevant Persons must not deal in the Company's securities.

The following are mandated Blackout Periods:

- from the close of the trading day on 30 November each year, until the close of the trading day following the day on which the Company's full year results are released to ASX and POMSoX;
- from the close of the trading day on 31 May each year, until the close of the trading day following the day on which the Company's half-yearly results are released to the ASX and POMSoX; and
- any other period that the Board specifies from time to time.

If 31 May and 30 November are not trading days, then the Blackout Period begins on the preceding trading day.

For the avoidance of doubt, the above Blackout Periods apply to trading on both POMSoX and ASX. However, ASX's trading day calendar will be used to determine the timing of the relevant Blackout Period.

During Blackout Periods, Relevant Persons must not deal in any of the Company's securities unless permitted to do so under 1.3.3 to 1.6.

1.3.3 Exceptional circumstances

If a Relevant Person, who is not in possession of Inside Information, needs to deal in securities during a Blackout Period due to exceptional circumstances, but such dealing is prohibited by this Policy, the Relevant Person may apply to:

- the Chairman of the Board (if the Relevant Person is a director (other than the Chairman of the Board), or one of their closely related parties);
- the Chairman of the Audit Committee and the CEO (if the Relevant Person is the Chairman of the Board or one of their closely related parties); or
- the CEO (in the case of other Relevant Persons),

or their delegate (the Approver) for a waiver from compliance with the provisions of 1.3.2.

Exceptional circumstances for these purposes include severe financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the Approver.

Relevant Persons seeking a waiver under this clause must apply in writing to the relevant Approver setting out:

- the details of the proposed dealing, including an explanation as to the exceptional circumstances;
- the number and type of the securities the subject of the application;
- the proposed date(s) for executing the proposed dealing(s); and
- the reason the waiver is requested.

The Approver may, in their reasonable discretion, require further details from the requester, and may take the time they consider necessary to consider the request, including time to seek legal opinion.

A waiver will only be granted if the Relevant Person's application is accompanied by sufficient evidence (in the opinion of the Approver) that the requested dealing is the only reasonable course of action available in the circumstances.

If a waiver is granted, the Relevant Person will be notified in writing (including by email) and in each circumstance the duration of the waiver to deal in securities will be two business days or as otherwise nominated by the Approver.

Where a waiver is given pursuant to 1.3.3, the Relevant Person must notify the Company Secretary of the details of that waiver for record keeping purposes.

Unless otherwise specified in the approval notice, any dealing permitted under 1.3.3 to o must comply with the other sections of this Policy (to the extent applicable).

1.3.4 Other permitted dealings

During any period other than a Blackout Period, and before any dealing in securities is undertaken, the Relevant Person seeking to trade (column A, below) must provide notification to and seek approval for any proposed dealing in the Company's securities from the person(s) approving the trade (column B, below):

RELEVANT PERSON SEEKING TO TRADE (INCLUDING ANY CLOSELY RELATED PARTY)	PERSON(S) APPROVING THE TRADE
Directors of the Kina Group (including the CEO)	The Chairman of the Board
The Chairman of the Board	The Chairman of the Audit Committee and the CEO
The CEO's direct reports, their direct reports and any person designated by the Board under paragraphs o to o of this Policy	The CEO

Following approval, Relevant Persons (or their closely related parties) must undertake the proposed dealing within two business days or as otherwise notified by the person providing such approval. If the dealing is not undertaken within this time, the approval will no longer have effect and a new approval will be required.

Relevant Persons must confirm any such dealings with the person who endorsed the transaction and the Company Secretary within two business days of the dealing. The Company Secretary will keep a record of this information.

The insider trading restriction in 1.3 applies to all dealings in the Company's securities despite any approval given to a Relevant Person under this Policy, and the Relevant Person is responsible for ensuring that the dealing does not breach this restriction.

1.4 Margin lending

Any dealing in the Company's securities by Relevant Persons pursuant to a margin lending arrangement is not permitted. Such dealings would cover:

- entering into a margin lending arrangement in respect of the Company's securities;
- transferring securities in the Company into an existing margin loan account; and
- selling securities in the Company to satisfy a call pursuant to a margin loan.

1.5 Hedging of Company securities

Hedging includes entering into transactions in financial products that operate to limit the economic risk associated with holding Company securities.

Hedging of Company securities by a Relevant Person is subject to the following overriding prohibitions:

- the hedge transaction must not be entered into, renewed, altered or closed out when the Relevant Person is in possession of inside information;
- Company securities must never be hedged prior to the vesting of those Company securities. In particular, Relevant Persons are prohibited from entering into any hedge transaction involving unvested equity held pursuant to any employee, executive or director equity plan operated by the Company; and
- Company securities must never be hedged while they are subject to a holding lock or restriction on dealing under the terms of any employee, executive or director equity plan operated by the Company.

Relevant Persons are permitted to hedge their vested and unrestricted Company securities on the following conditions:

- the hedge transaction is treated as a dealing in Company securities for the purposes of this Policy, and the relevant approvals and notifications are made on this basis; and
- the relevant requirements under 1.3.4 of this Policy have been satisfied.

Where a Relevant Person enters into a hedging arrangement in respect of Company securities, the Company may, where appropriate, disclose the fact and nature of the hedge (e.g., in its annual report or to POMSx or ASX).

1.6 Exclusions

1.3.2 to 1.3.4 of this Policy do not apply to:

- participation in an employee, executive or director equity plan operated by the Company (eg, applying for an allocation of securities under an employee equity plan offer). However, where securities in the Company granted under an employee, executive or director equity plan cease to be held under the terms of that plan, any dealings in those securities must only occur in accordance with this Policy;
- the following categories of passive trades:

- acquisition of Company securities through a dividend reinvestment plan;
- acquisition of Company securities through a share purchase plan available to all retail shareholders;
- acquisition of Company securities through a rights issue or other pro rata entitlement offer; and
- the disposal of Company securities through the acceptance of a takeover offer;
- dealings that result in no effective change to the beneficial interest in the securities (eg, transfers of Company securities already held into a superannuation fund or trust of which the Relevant Person is a beneficiary); and
- trading under a pre-approved non-discretionary trading plan, where the Relevant Person did not enter into the plan or amend the plan during a Blackout Period, the plan does not permit the Relevant Person to exercise any influence or discretion in relation to trading under the plan and the plan cannot be cancelled during a Blackout Period other than in exceptional circumstances.

For the avoidance of doubt, such dealings are still subject to the insider trading restrictions of this Policy where applicable.

1.7 Securities in other companies

In general, Relevant Persons are free to deal in securities in other listed companies, but should note that the Australian Corporations Act 2001 and the PNG Securities Act contain various prohibitions on trading in other listed companies with which the Company may be dealing (including the Company's customers, contractors or business partners) where that person possesses inside information in relation to that other company.

Relevant Persons may come into possession of inside information where they are directly involved in client relationship management or negotiating contracts. For example, where the Relevant Person is aware that the Company is about to sign a major agreement with another company, the Relevant Person should not deal in securities in either the Company or the other company.

If you are in doubt, you should: (a) not trade; (b) not pass the inside information to another person; and (c) immediately seek advice from the Company's legal team.

1.8 Breach

Breaches of the insider trading laws have serious consequences for both the Relevant Person concerned and the Company. Breaches of this Policy are regarded as serious and will be subject to appropriate sanctions.

Any person who:

- is suspected of breaching this Policy may be suspended from attending the workplace on full pay pending the outcome of investigations into the alleged breach; or
- is proven to have breached this Policy could face disciplinary action (including forfeiture of securities and/or suspension or termination of employment).

1.9 Director notification requirements

Directors have agreed with the Company to provide details of changes in Company Securities they hold (directly or indirectly) to the Company Secretary as soon as reasonably possible to enable the Company to comply with its obligations under the ASX Listing Rules. If a change to a notifiable interest occurs during a Prohibited Period, the Company must tell ASX (in its Appendix 3Y filing) that this is the case, whether prior written clearance for the relevant dealing was provided and the date of such clearance.

1.10 Insider trading

The requirements imposed by this Policy are separate from, and additional to, the legal prohibitions in the Papua New Guinea Securities Act and the Australian Corporations Act 2001 on insider trading.

1.11 Who to contact

Any person who has any queries about this Policy should contact the Company Secretary.

1.12 ASX Listing Rule requirements

ASX Listing Rule 12.9 requires this policy to be disclosed to the ASX. Where the Company makes a material change to this policy, the amended policy must be provided to ASX within 5 business days of the material changes taking effect, in accordance with ASX Listing Rule 12.10.

1.13 Review of this Policy

The Board will review this Securities Trading Policy at least annually, having regard to the changing circumstances of the Company, and the policy will be subject to Board approval if any updates are made.

Any amendments to this policy will be notified to affected persons in writing.

Approved by the Board: 26 April 2018