

11 December 2017

Kina Securities – new CEO commences

Port Moresby, Papua New Guinea. 11 December 2017: Kina Securities Limited (KSL) announces that Mr Greg Pawson has commenced as Chief Executive Officer of Kina Securities Ltd and Kina Bank.

As notified on 27 June 2017, Mr Pawson has extensive banking and financial experience having held senior management positions at Westpac, BT Financial Group and Colonial. Mr Pawson has also held a number of high-profile positions including three years as President of the Australia PNG, Australia Fiji and Australia Pacific Islands Business Councils.

Mr Pawson will be appointed as Managing Director on 1 January 2018. Mr Sydney Yates will retire from his role as Managing Director of Kina Securities Ltd on 2 January 2018.

Further to Listing Rule 3.16.4, attached as an Appendix is a summary of the material terms of Mr Pawson's contract.

For further information, please call:

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CFO/ Company Secretary

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Appendix

In accordance with ASX Listing Rule 3.16.4, the Company makes the following disclosures in respect of the key terms of the agreement it has entered into with its new Chief Executive officer, Mr Greg Pawson.

Terms of the Appointment

Five year term commences 11 December 2017. Once appointed Managing Director in January 2018, Mr Pawson's appointment will be subject to ratification at the 2018 Annual General Meeting of shareholders. Mr Pawson's salary will be reviewed at the end of each calendar year.

Remuneration

1. Remuneration payable to Mr Pawson will be \$591,300 gross per annum;
2. Retention incentives as follows:
 - a. AUD200,000 on commencement
 - b. AUD100,000 one year from commencement date
 - c. AUD100,000 three years from commencement date
 - d. AUD300,000 worth of Performance Rights issued at the price on commencement and vesting after three years
3. Short term incentives: Mr Pawson will be eligible to participate in the STI Plan. Under the terms of the STI Plan, provided KPIs are met, the incentive earned may be paid as 65% in cash and 35% in an offer of performance rights.
4. Long term incentives: Mr Pawson will be eligible to participate in the LTI Plan. Under the terms of the LTI Plan, the incentive earned may be paid as Performance Rights that are subject to vesting conditions by the Board.

Shareholder approval will be sought for the issue of securities to Mr Pawson as required by the ASX Listing Rules.

Other Benefits

In accordance with the Company's usual practice, Mr Pawson will be provided accommodation and the use of a motor vehicle for the term of his employment. He is also provided relocation assistance and travel reimbursement for he and his dependents to return to Australia at least once per year.

Termination

The Employment Agreement can be terminated by either party with 6 months' notice. The Company may provide 6 months' payment in lieu of notice (or a combination of both). The Company may terminate Mr Pawson's employment with immediate effect for cause (for example, serious misconduct or serious negligence).