Kina Petroleum Limited – Corporate Governance Plan (July 2011)

1. General

Kina Petroleum Limited ARBN 151 201 704 ("Company") corporate governance framework has been formulated in light of the corporate governance principles and recommendations released by the ASX Corporate Governance Council, 2nd edition with 2010 Amendments ("Principles and Recommendations"). The Company's framework largely complies with these Principles and Recommendations. Consistent with the Company's approach to sound corporate governance, opportunities for improvement are regularly considered.

The Directors are responsible to shareholders for the performance of the Company and their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Company is properly managed. The main processes that the Directors of the Company use in doing so are set out in this plan.

2. Board Charter

The Board Charter in Annexure 1 sets out the principles for the operation of the board of directors of the Company ("Board") and the functions and responsibilities of the Board and management of the Company.

3. Board Committees

Audit and Risk Management Committee

The Board has established an Audit and Risk Management Committee. This committee will be central to the Company's process to ensure integrity in financial reporting and to ensure the Company address the material risks to its business and reputation. The committee will have at least 3 members and will adopt its own Charter setting out the roles, responsibilities and objectives of the committee.

The establishment of further Board Committees will be reviewed at the appropriate stages of the Company's development. The external auditors and other officers of the company may attend meetings of the Committee by invitation.

PriceWaterhouseCoopers has been appointed as external auditor to the Company. Section 324DA of the *Corporations Act 2001 (Cth)* ("Corporations Act") prescribes a limited term for eligibility of persons playing a significant role in the audit of a listed company. The Audit and Risk

Management Committee is responsible for the selection and recommendation of the company's external auditor. The audit committee has recommended the external audit service be put to tender on a tri-annual basis. Further that in the event the external auditor is retained post 3 years that the engagement partner be rotated on a 5year basis.

The external auditors have direct access to the Chairman of the Audit Committee and where necessary, the Chairman of the Board. The Audit Committee meets with the external auditors without management present on an as required basis, but at least once a year. The external auditor attends the Annual General Meeting and is available to answer questions from shareholders.

The Audit and Risk Management Committee Charter is provided in **Annexure 4**.

Nomination and Remuneration Committee

Principle and Recommendation 2.4 recommends the Board should establish a nomination committee. Principle and Recommendation 8.1 recommends the Board should establish a remuneration committee.

The Board has not established a Nomination and Remuneration Committee at this point in the Company's development. It is considered that the size of the Board along with the level of activity of the Company renders this impractical and the full Board considers in detail all of the matters for which the directors are responsible.

To assist the board in fulfilling its responsibilities, the board has adopted a Nomination and Remuneration charter, a copy of which is provided in **Annexure 5**.

4. Risk Management

The Company has a risk management program that is reviewed by the Audit and Risk Committee and approved by the Board. The program is designed to ensure risks (strategic, operational, legal, reputational and financial) are identified, assessed, addressed and monitored to enable the Company to achieve its business objectives.

The Company's risk management program is managed by the Audit and Risk Management Committee. The Board receives regular monthly reports on progress in addressing the risks. The Audit and Risk Committee has the right to appoint external professional advisers to carry out regular investigations into control mechanisms and report their findings, including recommendations for improvement to controls, processes and procedures, to the Audit and Risk Committee.

The Audit and Risk Management Committee Charter is provided in **Annexure 4**.

5. Code of Conduct

The Code of Conduct was adopted to reflect current business and community expectations. In summary, the Code of Conduct requires that at all times Directors and employees act with the integrity, objectivity and in compliance with the letter and spirit of the law and Company policies.

The Code of Conduct requires employees who are aware of unethical practices within the Company to report these using the avenues available under the Corporate Governance manual. Employees have direct access to the Executive Directors or, if this would cause a conflict, the Chairman of the Board. The Company's Code of Conduct is provided in **Annexure 2**.

6. Dealings in Kina Petroleum Limited's securities by Directors and employees

Directors and officers are subject to the provisions of the Corporations Act relating to conduct by a person in possession of inside information. A person possesses inside information, if they know, or ought to reasonably know, that if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company's securities.

Directors and officers in possession of inside information are prohibited from trading in the Company's securities.

The Board is responsible for ensuring that management put in place an education program that makes all employees aware of their legal obligations with respect to insider trading.

The Company's Share Trading Policy is provided in **Annexure 3**.

7. Continuous disclosure and shareholder communication

The Company Secretary is responsible for communication with the Australian Securities Exchange (ASX). This includes ensuring compliance with the continuous disclosure requirements in the ASX listing rules and overseeing information disclosure to analysts, brokers, shareholders, the media and general public.

The Company's Continuous Disclosure Policy and Communications Strategy is provided in **Annexure 6**.

8. Diversity Policy

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of its people.

The Company's Diversity Policy is provided in **Annexure 7**.

Directors Independence Questionnaire

A. QUESTIONS

1. Are you involved in the day to day running of the Company? Yes □ No □
   Note: If you answer yes to this question, then you are considered to be executive and hence cannot meet the definition of independent. Please proceed to 'B'.

2. Are you a substantial shareholder of the Company, or an officer of, or otherwise associated directly with, a substantial shareholder of the Company? Yes □ No □
   Note: If you answer yes to this question, you do not meet the definition of independent. Please proceed to 'B'.

3. Within the last three years have you been employed in an executive capacity by the Company or Group? Yes □ No □
   Note: If you answer yes to this question, you do not meet the definition of independent. Please proceed to 'B'.

4. Within the last three years have you been a principal of a material professional advisor or a material consultant to the Company or Group, or an employee materially associated with the service provided? Yes □ No □
   If you answer No to this question, please provide details of the following information:
   Name of any entity associated with yourself which provides services to the Company;
   Total receipts received from the Company during the last 3 years;
   The thresholds used in determining whether any benefits received from the Company are material (from the viewpoint of the individual director). Please note that these are required to be disclosed in the corporate governance section of the annual report. The materiality thresholds should be consistent with the materiality thresholds adopted from, the Company's point of view to ensure consistency unless there is an overriding factor which should be described below.
   Why you consider that any service provided is not material.

   _____
   _____
   _____
   _____
   _____

DIRECTORS INDEPENDENCE QUESTIONNAIRE continued

If you answer Yes to this question, please provide details of the following information:
Name of any entity associated with yourself which provides services to the Company;
Total receipt received from the Company during the last three years.
The thresholds used in determining whether any benefits received from the Company are material (from the viewpoint of the individual director). Please note that these are required to be disclosed in the corporate governance section of the annual report. The materiality thresholds should be consistent with the materiality thresholds adopted from the Company point of view to ensure consistency unless there is an overriding factor to which should be described below.
Why you consider that any service provided is material

_____
_____
_____
_____
_____

Regardless of your response please proceed to question 5.

5. Are you a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer? Yes □ No □

If you answer no to this question, please provide details of the following information:
Name of any supplier group associated with yourself which suppliers or receives services to / from the Company?
The thresholds used in determining whether any benefits provided to or received from the Company are material (from the viewpoint of the individual Director). Please note that these are required to be disclosed in the corporate governance section of the annual report. The materiality thresholds should be consistent with the materiality thresholds adopted from the Company's point of view to ensure consistency unless there is an overriding factor which should be described below.
Why you would consider any such transaction to not be material.
If you answer yes to this question, please provide details of the following information:
Name of any supplier group associated with yourself which suppliers or receives services to / from the Company?
The thresholds used in determining whether any benefits provided to or received from the Company are material (from the viewpoint of the individual Director).Please note that these are required to be disclosed in the corporate governance section of the annual report.

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DIRECTORS INDEPENDENCE QUESTIONNAIRE continued

The materiality thresholds should be consistent with the materiality thresholds adopted from the Company's point of view to ensure consistency unless there is an overriding factor which should be described below.
Why you would consider any such transaction to not be material.

_____
_____
_____
_____
_____

Regardless of your response please proceed to question 6.

6. Have you had a material contractual relationship with the Company or another group member other than as a director of the Company: Yes □ No □
If you answer no to this question, please provide details of the following information:
Name of the associated company and nature of the contract entered into with the Company.
The thresholds used in determining the contract with the Company is not material (from the viewpoint of the individual director). Please note that these are required to be disclosed in the corporate governance section of the annual report. The materiality thresholds should be consistent with the materiality thresholds adopted from the Company's point of view to ensure consistency unless there is an overriding factor which should be described below.
Why you consider any such transaction to be material?

_____
_____
_____
_____
_____

If you answer yes to this question, please provide details of the following information:
Name of the associated company and nature of the contract entered into with the Company.
The thresholds used in determining the contract with the Company is not material (from the viewpoint of the individual director). Please note that these are required to be disclosed in the corporate governance section of the annual report. The materiality thresholds should be consistent with the materiality thresholds adopted from the Company's point of view to ensure consistency unless there is an overriding factor which should be described below.
Why you consider any such transaction to be material?

_____
_____
_____

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DIRECTORS INDEPENDENCE QUESTIONNAIRE continued

7. Are you free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with your ability as director to act in the best interests of the Company? Yes □ No □
If you answer no to this question, please provide detail of the following information:

Description of any interest or business or other relationship not covered by any other question above, including family ties and cross directorships.
The thresholds used in determining that the above interest or relationship would not be material.
Why you would consider any such interest or business or other relationship to not be material.

_____
_____
_____
_____
_____

If you answer yes to this question, please provide detail of the following information:
Description of any interest or business or other relationship not covered by any other question above, including family ties and cross directorships.
The thresholds used in determining that the above interest or relationship would not be material. Why you would consider any such interest or business or other relationship to not be material.

_____
_____
_____
_____

B. STATEMENT BY INDIVIDUAL DIRECTOR

After completing the above questionnaire and with my knowledge of my position and any dealings with the Company, I conclude that am / am not an independent director.

_____
[Director Name]

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DIRECTORS INDEPENDENCE QUESTIONNAIRE continued

C. STATEMENT BY BOARD

After reviewing the above responses from the individual director, the Board resolves that [ ] is / is not independent.

_____ _____

[Director Name] [Director Name]

Definitions

Section 9 Corporations Act 'substantial holding': A person has a substantial holding in a body corporate, or listed registered managed investment scheme, if:

(a) the total votes attached to voting shares in the body, or voting interests in the scheme, in which they or their associates:

(i) have relevant interests; and

(ii) would have a relevant interest but for subsection 609(6) (market traded options) or 609(7) (conditional agreements);

is 5% or more of the total number of votes attached to voting shares in the body, or interests in the scheme; or

(b) the person has made a takeover bid for voting shares in the body, or voting interests in the scheme, and the bid period has started and not yet ended.

Note – 'relevant interest' is defined in sections 608 & 609 Corporations Act. A person has a relevant interest not only if they hold securities, but also if they have the power to exercise or control voting rights or the power to exercise or control the disposal of securities.
The Board considers a professional adviser or consultant to be prima facie material if >20% of the total fees or income of the adviser or consultant is derived from services supplied to the Company.
The Board considers a supplier to be prima facie material if >20% of the total fees or income of the supplier is derived from goods supplied to the Company.
The Board considers a customer to be prima facie material if >20% of the Company's revenue is derived from that customer.

ANNEXURE 1 – The Board Function: Board Charter

Adopted by Board on [insert]

Introduction

This Charter summarises the role and responsibility of the Board. The roles and responsibilities of the Board will evolve as the Company moves forward. The Board Charter broadly addresses each of the Principles and Recommendations.

Definitions

General terms and abbreviations used in this Charter have the following meaning set out below.

Board	the board of directors of Kina
CEO	Chief Executive Officer, who may also be the Managing Director
CFO	Chief Financial Officer (where appointed)
Chairman	chairman of the Board
Charter	this Board Charter
Company Secretary	the Company Secretary of Kina
Constitution	the Company's constitution
Corporations Act	the *Corporations Act 2001* (Cth)
Directors	directors of Kina
Kina or the Company	Kina Petroleum Limited ARBN 151 201 704
Officer	a senior executive of Kina
Principles and Recommendations	the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council, as amended or replaced from time to time

Role

The Board is accountable to shareholders for the performance of the Company. It oversees the activities and performance of management and provides an independent and objective view to the Company's decisions.

Responsibilities

The general responsibilities of the Board are:

- Protection and enhancement of shareholder value;
- Formulation, review and approval of the objectives and strategic direction of the Company
- Monitoring the financial performance of the Company by reviewing and approving budgets and monitoring results
- Approving all significant business transactions including acquisitions, divestments and capital expenditure
- Ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained
- The identification of significant business risks and ensuring that such risks are adequately managed
- Evaluation of potential business development opportunities
- The review of performance and remuneration of executive directors and staff
- Ensuring there is an effective Corporate Governance structure and practice in place.
- Ensuring the integrity in financial reporting. Please refer to board committees section below.
- Ensuring the Company's Code of Conduct (**Annexure 2**) and other policies are adhered to, to promote ethical and responsible decision making.
- Ensuring that an appropriate Share Trading Policy is in place regarding trading of the Company's shares by employees and directors of the Company (**Annexure 3**).
- Ensuring that an appropriate policy is in place regarding the recognition and management of the Risks facing the Company (**Annexure 4**).
- Ensuring that appropriate policies and procedures are in place to ensure compliance with applicable laws.

The specific roles of the Board and the Non Executive Chairman are as follows:

The fundamental role of the board is to:

- Monitor all aspects of the company's performance, ensuring that this performance is in shareholder's interests and is meeting agreed goals and objectives;
- Improve the performance of the company through strategy formulation and policy making.

Annual

- Setting and reviewing
  - vision and mission
  - goals (short, medium and long term)
  - strategy
- Approving the annual strategic plan and major operating plans
- Approving the annual budget.
- Reviewing and providing feedback on the performance of the CEO/Managing Director.
- Reviewing the performance of the Board, the individual Directors and the committees every year.
- Reviewing/approving the full-year financial statements and reports and profit and dividend announcement
- Approving the annual report and notice of AGM.

Half-year

- Reviewing/approving the half-year financial statements and reports and profit and dividend announcement.

Quarterly

- Reviewing/approving the quarterly cash flow/cash position statements for announcement, so long as those statements are required to be lodged with ASX.

Monthly

- Reviewing performance of the company in meeting objectives, including presentations on key areas for success, as determined by the Board.
- Consider reports and recommendations from committees.

Ad hoc

- Determine all policies governing the Company and ensuring that adequate procedures are in place to manage the identified risks.
- Appointing and approving the terms and conditions of appointment of the CEO/MD and CFO (or equivalent).
- Approving the terms and conditions of appointment of all other persons reporting to the CEO/MD.
- Establish and determine powers and functions of committees and reviewing those powers and functions every 2 years or as circumstances demand
- Approving
  - capital expenditures in excess of $50,000
  - operational expenditure outside the budget in excess of $50,000
  - mergers, acquisitions and disposals of businesses
  - all property acquisitions and disposals
  - leases, in excess of 1 year term
  - sale/licensing of trade marks, patents
  - borrowings in excess of $50,000
- Ensuring procedures are in place so that the share market is promptly and adequately informed of all material matters.
- Decisions on the following matters in relation to the Board:
  - the appropriate size, composition and terms and conditions of appointment to and retirement from the board. For the level of remuneration for non-executive directors, the board will have regard to practices of other public companies, external professional advice, if considered necessary, and the aggregate amount of fees approved by shareholders
  - the appropriate criteria for board membership
  - reviewing the membership of the board and, when necessary, considering candidates for appointment to the board.
  - monitoring board members and senior executives to ensure no transactions in associated products are entered into which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.

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ROLE OF THE CHAIRMAN

Vision/mission statement/strategy

- Ensure the Board shows leadership in setting, reviewing and achieving the vision and strategy of the company.

Board meetings

- Agree the agenda in consultation with the Company Secretary to ensure appropriate time is allowed for discussion on both strategic issues, operational issues and compliance issues
- Ensure the Board receive all necessary information to enable effective decision making
- Chair Board meetings and ensure that they are validly convened, a quorum is present, all Directors have a fair opportunity to participate, the minutes are signed confirming their correctness and the meeting is declared closed
- Deal with any conflicts that arise, address differences of opinion and ensure contrary votes are recorded, if so required
- Ensure Directors with material personal interests in a matter leave the meeting while the matter is discussed, unless a resolution has been passed by the non-interested Directors allowing the interested Director to remain in the meeting and participate in discussions and/or vote on the matter

Annual general meetings

- Chair the meeting and ensure that the shareholders as a whole have an opportunity to speak on matters relevant to the management of the company
- Ensure the audit partner is present at the AGM and available to answer questions in accordance with the Corporations Act.

Committee meetings

- Attend committee meetings in accordance with membership of such committees.

External contact

- Be spokesperson in respect of the performance and profit figures and any board-related matters, if appropriate.

Board

- Initiate the process of Board, committee and Director performance appraisal
- Ensure the agreed composition of the Board is maintained or initiate action

- Ensure Directors are informed of significant changes to the company's business environment and relevant changes to legislation.
- Ensure new Directors are properly inducted.

Other

- Carry out other duties as requested by the Board from time to time.

Vision/mission statement/strategy

- Formulate with the Board the vision, mission statement and strategy, and initiate reviews, as appropriate
- Develop actions with the management team to achieve the vision and implement the strategy
- Report to the Board regularly on the company's progress against the vision and strategy.

ROLE OF THE MANAGING DIRECTOR

Management team and employees

- Negotiate terms and conditions of appointment of senior executives for approval, where necessary, by the Board
- Develop succession plan and senior executives' development programs and evaluate performance of senior executives
- Approve general conditions of employment of all other staff members
- Provide strong leadership to the management team and ensure all employees understand the vision and strategy and their part in its achievement
- Ensure procedures and training are in place to provide a safe work environment
- Ensure employees are educated on legal requirements and company policies such that compliance is the culture and a high level of ethical behaviour is expected.

Board

- Ensure all matters requiring review or approval by the Board are brought to the Board with adequate information and time to allow proper consideration of such matters
- Advise the Board of any significant change in the risk profile of the company together with actions taken or proposed, in a timely manner
- Provide, with the CFO (or equivalent), certification to the Board on the fairness of the financial statements annually and half-yearly and the adequacy of the policies and

procedures in place as regards management of risk, and internal controls

- Report to the Board on a monthly basis the performance of the business against budgets and the projected performance against the budget going forward.
- Ensure all presentations on matters agreed with the Board are made on a timely and in an informative manner
- Ensure Directors are continually educated on the business of the company, the environments in which it operates, changes in legal obligations and developments in corporate governance best practice.

External Stakeholders
Liaison with all relevant stakeholders from time to time.

Delegated authority
The following delegated authority as approved by the Board:

- Capital expenditure $50,000
- Operational expenditure outside of budget $50,000
- Leases - period of 1 year or less
- Sale of assets – value and proceeds <$50,000
- Appointment and termination of employees.

Management

- All other matters necessary for the day-to-day management of the company.

Composition

The Company's Constitution requires that the minimum number of Directors is 3. Membership of the Board currently comprises:

- 1 Executive Director; and
- 3 Non-Executive Directors, 2 of whom are independent Directors.

If Kina's activities change in size, nature and scope, the size of the Board and the optimum number of Directors required for the Board to properly perform its responsibilities and functions will be reviewed and, if appropriate, changed accordingly.

The Board requires Directors to, collectively, have a broad range of technical and commercial expertise and experience, particularly in a field which is complementary to the Company's

activities and strategy, or with appropriate professional qualifications, and are able to bring value to the Board's deliberations.

Directors are subject to retirement by rotation and election by shareholders at a general meeting. No Director may remain on the Board for more than three years without re-election. Where a Director is appointed during the year that Director will hold office until the next Annual General Meeting and then be eligible for re-election.

Board nominations

The Board will consider nominations for appointment or election of Directors that may arise from time to time having regard to the corporate and governance skills required by Kina and the ASX Corporate Governance Council, and procedures outlined in the Constitution and the Corporations Act.

Appointment of directors

As at the date of this Charter and in accordance with the provisions of the Constitution, it is expected that one third of the Directors (other than the Managing Director) would retire at the next annual general meeting. At this juncture the Company expects that these retiring Directors will stand for re-election.

Subject to the number of directors allowed under the Constitution, a director may be appointed by an ordinary resolution of the Company in a general meeting. Where a director's position becomes vacant in between such elections, the Board will appoint a replacement director. Such a replacement director will only hold office until the next annual general meeting of the Company.

The terms and conditions of the appointment and retirement of members of the Board will be set out in a letter of appointment, which shall include the following matters:

- the term of the appointment, subject to member approval;
- time commitments envisaged;
- the powers and duties of Directors;
- any special duties or arrangements attaching to the position;
- circumstances in which an office of director becomes vacant;
- expectations regarding involvement with committee work;

- remuneration and expenses;
- superannuation arrangements;
- the requirement to disclose Directors' interests and any matters which affect the director's independence;
- fellow Directors;
- trading policy governing dealings in securities (including any share qualifications) and related financial instruments by directors, including notification requirements;
- induction, training and continuous education arrangements;
- access to independent professional advice;
- indemnity and insurance arrangements;
- confidentiality and rights of access to corporate information; and
- a copy of the Constitution.

Board processes and evaluation of performance

The Board currently schedules a minimum of 6 meetings per year. In addition, the Board meets whenever necessary to deal with specific matters needing attention between the scheduled meetings. Extraordinary meetings take place at such other times as may be necessary to address any specific significant matters that may arise.

The agenda for meetings is prepared by the Company Secretary in conjunction with the Chairman, with periodic input from the Board. Board papers are distributed to directors in advance of scheduled meetings.

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director.

It is recognised and accepted that Board members may also concurrently serve on other boards, either in an executive or non-executive capacity.

Due to the current size of the Company and its level of activity, the Board is responsible for the evaluation of its performance and the performance of individual directors. This internal review is to be conducted on an annual basis and if deemed necessary this internal review will be facilitated by an independent third party.

Independence of Board Members

The Board will regularly assess the independence of each of the 3 Non-Executive Directors based on the interests and associations disclosed by them, in line with the Principles and Recommendations.

Currently 2 of the non executive directors (including the Non Executive Chairman) are deemed to be independent. The Managing Director and the remaining Non Executive Director are deemed to not be independent.

Principle and Recommendation 2.1 states that a majority of the Board should be independent directors. In assessing the makeup of the Board, the Company aims for its Directors to be independent in thought and judgement, as well as expecting the Directors to add value to the company. This board structure will be reviewed at the appropriate stages of the Company's development.

Assessing the independence of directors - The ASX guidelines

An independent director, in the view of Kina, is a Non-Executive Director who:

- is not a substantial shareholder of the Company or an Officer of, or otherwise associated directly with a substantial shareholder of the Company (as defined in section 9 of the Corporations Act);
- has not, within the last 3 years, been employed in an executive capacity by the Company or another group member, or been a director after ceasing to hold any such employment;
- has not, within the last 3 years, been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
- is not a material supplier or customer of the Company or other group member, or an Officer of or otherwise associated, directly or indirectly, with a material supplier or customer;
- has no material contractual relationship with Kina other than as a director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best

interests of the Company; and

- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

Annual Report Disclosure

The Board may decide that it considers a director to be independent, notwithstanding the existence of relationships listed above. If the Board does so decide, it will state its reasons in the annual report for making such a decision.

If the independent status of a Director is lost, this will be disclosed to the market immediately.

The Board must ensure that each annual report of the Company discloses:

- in the corporate governance section, the names of the Directors who are considered by the Board to be independent;
- the reasons for considering a Director to be independent;
- the reasons for considering a Director to be independent despite the existence of the relationships set out above; and
- the period of office of each Director.

Resources available to the Board

Directors have the right of access to Company employees, advisers and records. In relation to their duties and responsibilities, Directors have the right to seek independent professional advice at the Company's expense provided that before the advice is obtained, the Director discusses the requirement for the advice with the Chairman. Any advice so received must be made available to all other directors.

Where the Chairman wishes to seek independent advice, she or he must make a formal request to the Board. Any advice so received must be made available to all other directors. The Company has entered into Confidentiality, Indemnity, Insurance and Access Deeds with each Director giving them a right of access to all documents that were presented to meetings of the Board or to any committee of the Board or otherwise made available to the director whilst in office. This right continues for a term of seven years after ceasing to be a director or such longer period as is necessary to determine relevant legal proceedings that commenced during that term.

Remuneration of non-executive Directors

The fees and emoluments paid to Directors will be set by the Nomination and Remuneration Committee and approved in advance by shareholders.

The maximum aggregate remuneration of Non-Executive Directors is $300,000 per annum as set out in the Constitution of the Company. Fees paid to non executive directors have superannuation contributions deducted as applicable as required by Commonwealth legislation. The Company pays no other retirement benefits to Directors.

Access to Company information and confidentiality

All Directors have the right of access to all relevant Company books. In accordance with legal requirements and agreed ethical standards, Directors and senior executives of Kina have agreed to keep confidential information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

Operation of the Board

The Board operates as a whole in dealing with the affairs of the Company. It meets formally periodically to review the Company's performance, to receive reports and act on any recommendations from its senior executives. Other Board meetings are held when necessary to deal with other matters that may arise.

The Board papers, which include comprehensive reports on the operational and financial performance of the Company, are circulated in advance of meetings.

The Board has established the following committee:

- Audit & Risk Management.

Establishing policies

The Board (or appropriate Board committee) is responsible for establishing policies relating to the following matters:

- Code of Conduct,
- Continuous Disclosure Policy and Communications Strategy,
- Diversity Policy;

- Share Trading Policy,
- Nomination and Remuneration Charter; and
- Audit and Risk Management Committee Charter.

The Board will review each of these policies at least annually.

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Annexure 2 - Code of Conduct

Adopted by Board on 11 May 2011

The Company is committed to the highest standards of business conduct. It is important that all staff members at Kina observe the highest standards of ethics, integrity and behaviour. This Code outlines the standards of behavior of staff members at Kina including Directors, employees, consultants and contractors, must meet.

Notwithstanding this Code, the ethical conduct of the affairs of the Company ultimately depends upon the understanding and judgement of its staff, having regard to their sense of honesty, fairness and decency.

Nevertheless, this Code sets out the Company's minimum standards of conduct and integrity to be observed by all staff members. The Code's focus is to ensure that all Directors, executives, and employees act with the utmost integrity and objectivity in carrying out their duties and responsibilities, striving at all times to enhance the reputation and performance of the Company.

Definitions

General terms and abbreviations used in this Charter have the following meaning set out below.

Board	the board of directors of Kina
Chairman	chairman of the Board
CEO	Chief Executive Officer, who may also be the Managing Director
Code	this Code of Conduct
Company Secretary	the Company Secretary of the Company
Corporations Act	the *Corporations Act 2001* (Cth)
Directors	directors of Kina
Kina or the Company	Kina Petroleum Limited ARBN 151 201 704
Officer	a senior executive of Kina
Staff member	reference to a staff member include the companies or trusts substantially owned or controlled by the staff member or direct relatives, executive directors and, where the context

permits, non-executive directors, managers and all other staff engaged either on a contract of employment or a salaried basis

Adherence to the Law

Responsibilities of directors

Directors will acquaint themselves with obligations imposed on them and the Company by the Corporations Act. They will also familiarise themselves with other documents prepared by Kina to meet corporate governance requirements.

The more important legal obligations are summarised below:

- Directors will act honestly, and exercise reasonable care and diligence at all times in the performance of their functions;
- a Director or former Director will not make improper use of information acquired by virtue of position;
- a Director will not make improper use of position to gain a direct or indirect advantage for self or any other person; and
- Directors have a fiduciary duty to the Company and a duty to act with loyalty and in good faith.

Responsibilities of staff

Staff members should undertake at all times to comply with or observe all applicable laws and regulations.

Staff members should not take any action which they know or should reasonably know violates any applicable law or regulation. Where operating rules are laid down they should be followed. The correct Company forms, which have been prepared with legal requirements in mind, should also be used.

Responsibilities to stakeholders

The Company strives to be a good corporate citizen.

Accordingly, the standards of personal behaviour applicable to staff members are as follows:

- they must have an understanding of the Company's business and the environment in

which it operates, and stay informed of all relevant activities affecting the Company and the community in which it operates;

- they will treat each other and parties who have interest in or dealings with the Company with professionalism, courtesy and respect. They will work cooperatively with fellow staff members towards agreed goals, whilst accepting the obligation to supervise or be supervised in the discharge of their duties. Staff members will deal fairly with all parties how have legitimate business with the Company;

- Directors and Officers are obliged to exercise due judgement in their decision making process and will not attempt to improperly influence their colleagues in issues or matters where independent judgement is expected of the other person; and

- Directors and Officers who may communicate publicly (through lectures or papers) on material related to the Company's affairs will in general convey views agreed by the Board. If material beyond this is made public, it should be clearly identified as the view of the individual. Any views attributed publicly to the Board or the Company should be cleared in advance — preferably with the full Board, but at least with the Chairman.

Conflicts of Interest

Staff members owe their primary business loyalty to the Company. They must not participate in any decision, by or on behalf of the Company, which may affect any private business in which they have an interest, unless they have disclosed the nature and extent of that interest to a relevant senior manager in the Company.

Staff members must obtain the consent of the CEO/MD through the Company Secretary before accepting a position as a director on or member of the board of an external company or organisation. The staff member, who has received such approval, will advise the Company Secretary promptly of any changes to relevant interests such as directorships, partnerships and holdings in securities. The Company Secretary will inform all Board members and the regulatory authorities, if required. Directors will normally be advised at the next meeting, but more urgently if appropriate to the circumstances. Interests are confirmed annually in writing to the Company Secretary prior to inclusion in the Directors' Report.

A staff member may, generally, not approve or administer contracts or other business arrangements between the Company and a member of the staff member's immediate family or with a company, firm, or individual employing a member of the staff member's immediate family in activities under the staff member's administration. In the particular case where the Board may decide that a staff member (who is also a Director) may properly supply goods or services on commercially acceptable terms to the Company, details will be provided in the

annual Directors' Report and Notes to the Financial Statements.

Staff members must avoid acquiring any business interests or participate in any business activity outside the Company which would tend to:

- create an excessive demand upon the staff member's time and attention or create any distraction during working hours; or
- create a conflict of interest, that is, an obligation, interest or distraction which would interfere with the independent exercise of judgement in the Company's best interest.

A staff member may not use Company personnel, facilities, equipment or supplies for personal benefit contrary to the Company's policies and procedures.

Ethical Standards
Kina is committed to fostering a climate of ethical behaviour and business practice. Key issues which staff members must consider when making any decision on the Company's behalf are:

- Is it the right thing to do?
- Is the decision or contemplated business conduct lawful?
- Is it consistent with this Policy?
- What will be the outcome for the Company, shareholders, colleagues and other stakeholders?
- Does a conflict of interest arise?
- Is the decision one that would stand public examination and scrutiny?

The Company encourages staff to report in good faith suspected unlawful/unethical behaviour.

Any member of staff who is uncertain as to whether an act or omission constitutes unlawful or unethical behaviour or who wishes to make a report should contact the Company Secretary directly.

The Company Secretary will then determine what action, if any, should be taken.

The Company Secretary will treat as confidential all such queries and reports except where action is to be taken. In which case, the Company Secretary shall seek to maintain the identity of the staff member confidential, unless the circumstances demand otherwise.

Fair Dealing
Staff members shall not use their positions within the Company to seek personal gain from those

doing business or seeking to do business with the Company nor accept such gain if offered.

Staff members must not engage in any act that could be interpreted as seeking or receiving a bribe, secret commission or questionable payment. Decisions made by staff members in the course of their work must be objective and based solely upon the best interest of the Company. They should never be influenced by any consideration of personal gain or gain to any personal associate (eg friend or relative). Except as noted below, staff members may neither seek nor accept gifts, payments, services, fees, pleasure or vacation trips or accommodation, or loan (except normal loans from regular lenders, on conventional terms) from any person, organisation or group that does business or is seeking to do business with the Company or any of its affiliates, or from a competitor of the Company or any of its affiliates.

A staff member may not accept gifts, services or entertainment from individuals or companies doing or seeking to do business with the Company, unless the transaction meets all of the following requirements:

- is in keeping with good business ethics;
- is customary and proper under the circumstances and gives no appearance of impropriety;
- serves a valid business purpose;
- does not impose any sense of obligation on the recipient to the donor;
- does not result in any kind of special or favoured treatment of the donor;
- cannot be viewed as extravagant, excessive or too frequent considering all the circumstances;
- does not involve cash payments, gift certificates, credit arrangements of any kind or any item having a value of more than $100;
- does not involve materials, services, repairs or improvements at no cost or at unreasonably low prices; and
- there is no effort made to conceal the full facts by either the recipient or the donor.

Confidentiality

It is a policy of the Company to honestly and openly provide information to those who have a legitimate interest in its operations. In addition to formal reports to regulatory authorities and reports to the public and shareholders required by statute, the Company may provide extensive

information on its activities by way of a variety of publications and through continuing working relations with news media, financial analysts and others. The extent, timing and form of such public disclosure are matters for senior management. Apart from concern for the privacy of staff members, the Company also operates in a competitive business environment. Consequently, it would be inappropriate for the Company to disclose information, which if published, might impair its own effectiveness and competitiveness.

Accordingly, Company documents such as circulars, manuals, records and internal communications materials, especially materials marked "Confidential", must never be shown to outsiders without proper authorisation. Care should be exercised in conversations about the Company with outsiders or with fellow staff members in public places.

The obligation of staff members to safeguard the privacy of fellow members of staff and to protect the confidentiality of the Company's own affairs continues with equal force if the staff member leaves the service of the Company.

In conversations with customers or other staff members and when on the telephone, care must be taken to prevent outsiders from overhearing confidential personal information.

Information should not be divulged over the telephone unless the identity of the caller and his or her right to receive the information are definitely established. Particular care should also be taken in answering enquiries and data given must be limited to that permitted by standard Company practice. Appropriate legal advice should be obtained where doubt exists.

The same considerations apply to the privacy rights of members of staff and similar care to avoid breaching these rights must be exercised by those staff members who, by reason of their position, may have knowledge of another staff member's private affairs.

Inside information and Share Trading

Inside information about the Company's affairs or those of customers shall not be used by staff members for their own gain or that of others.

Staff members are often in possession of information (commonly referred to as "inside" information) which is not publicly available and which may have an impact on the price of the Company's securities. Staff must not disclose such information nor use such information for personal gain or for the advantage of others, such as friends or relatives. For example, trading in the Company's securities or advising others to do so on the basis of such special knowledge may also result in violation of insider trading laws and lead to criminal penalties.

Staff members are expected to comply with the Company's Share Trading Policy at all times.

Administration

It is recognised that staff members may have questions concerning whether certain of their planned or actual activities constitute departures from the guidelines of this Code. Such questions should be referred in writing to the CEO/MD through the Company Secretary.

It is also recognised that circumstances may arise where compliance with the Code may be achieved without strict adherence to the guidelines and where such strict adherence would be unreasonable or result in undue hardship for the staff member. In such circumstances, the pertinent facts of the case should be submitted in writing to the CEO/MD through the Company Secretary.

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Kina
PETROLEUM LIMITED

Annexure 3 – Share Trading Policy

Adopted by Board on 11 May 2011

Introduction

These guidelines set out the policy on the sale and purchase of securities in the Company by its Directors and Employees.

Directors and Employees are encouraged to be long-term holders of the Company's securities. However, it is important that care is taken in the timing of any purchase or sale of such Company securities to avoid "insider trading".

Accordingly the Board has adopted this Policy on dealing in the Company's securities by Directors and Employees. The objectives of this Policy are to:

- minimise the risk of Directors and Employees contravening the laws against insider trading;
- ensure the Company is able to meet its reporting obligations under the Listing Rules; and
- increase transparency with respect to trading in the Company's securities by Directors and Employees.

To achieve these objectives, Directors and Employees should consider this policy to be binding on them in the absence of a specific exemption by the Board.

In summary, this policy prohibits dealing in the Company's securities when those persons possess unpublished market price sensitive information. If a Director or Employee is uncertain of the status of unpublished information, he should discuss it with the Chairman before trading occurs.

Directors must also notify the Company Secretary of any trade in the Company's securities within three days of such trade occurring so that the Company Secretary can comply with the Listing Rule 3.19A.2 requirement to notify the ASX of any change in a notifiable interest held by a Director.

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

1.0 Definitions

General terms and abbreviations used in this Policy have the following meaning set out below.

ASX	ASX Limited
Chairman	the Chairman of the Board of Directors
Closed Period	fixed periods specified in this Policy when the Company's Directors and Employees are prohibited from trading in the Company's securities as set out in section 4.1
Company Secretary	the Company Secretary of the Company
Corporations Act	*Corporations Act 2001* (Cth)
Company	Kina Petroleum Limited ARBN 151 201 704
Director	a director of the Company
Listing Rules	the Listing Rules of the ASX

2.0 What types of transactions are covered by this policy?

This policy applies to both the sale and purchase of any securities of the Company and its subsidiaries on issue from time to time.

The definition of "securities" in the Corporations Act is very broad.
Securities include:

- ordinary shares;
- preference shares;
- options or performance rights;
- debentures; and
- convertible notes.

For the purposes of this Policy, the term "securities" also extends to financial products issued or created over or in respect of securities issued by the Company (for example, warrants and other

derivative products), whether or not the financial products are created by the Company or by third parties.

3.0 What is insider trading?

3.1 Prohibition

Section 1043A (of Part 7.10, Division 3) of the Corporations Act makes it an offence for a person in possession of information that is not generally available but which, if generally available, might materially impact the price or value of Company securities to:

- trade in (ie. apply for, acquire or dispose of, or enter into an agreement to do any of these things); or
- procure another person to trade in, Company securities (collectively referred to as deal in Company securities).

Contravention of section 1043A of the Corporations Act is a criminal offence and may also result in civil liability.

3.2 Examples

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to affect materially the price of the Company's securities:

(a) a material acquisition, joint venture, realisation or disposal of assets;

(b) threat of material litigation against the Company;

(c) the Company's sales and profit results materially exceeding (or falling short of) the market's expectations;

(d) a material change in debt, liquidity or cash flow;

(e) a significant new development proposal ie, new product or technology;

(f) the granting (or loss) or a major contract;

(g) management or business restructuring proposal;

(h) proposed changes in the capital structure, capital returns and buy backs of

financial products;

(i) proposed dividends and share issues;

(j) changes to the Board;

(k) an agreement or option to acquire an interest in a mining tenement, or to enter into a joint venture or farm-in or farm-out arrangement in relation to a mining tenement;

(l) any information required to be announced to the market pursuant to Listing Rule 3.1 (the Continuous Disclosure rule); and

(m) significant discoveries, exploration results, or changes in reserve/resource estimates from mining tenements in which the Company has an interest.

3.3 Dealing through third parties

It is also an offence to tip the information to another person with the knowledge that the person could deal in Company securities. A person does not need to be a Director or Employee to be guilty of insider trading in relation to securities in the Company. Accordingly, the effect of section 1043A of the Corporations Act cannot be avoided by simply getting another person to deal on your behalf. The prohibition extends to dealings by Directors and Employees through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "Associates" in this Policy).

3.4 Information however obtained

Trading is prohibited at any time if the person possesses inside information. It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information. This means that section 1043A of the Corporations Act will apply to any Director or Employee who acquires inside information in relation to Company securities, no matter in which capacity and is prohibited from dealing in Company securities.

3.5 Employee share schemes

The prohibition does not apply to acquisitions of shares or options by Employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does apply to the sale of shares acquired under an employee share scheme and also to the sale of shares acquired following the exercise of an option granted under an

employee option scheme.

4.0 Guidelines for trading in the Company's securities

4.1 General rule

Directors or Employees must not buy or sell Company securities during any of the following periods:

(a) 15 calendar days (15) from the date of the Company's Annual General Meeting;

(b) 15 calendar days (15) from the release of the quarterly results announcement to the ASX;

(c) 15 calendar days (15) from the release of the half yearly results announcement to the ASX;

(d) 15 calendar days (15) from the release of the preliminary final results announcement to the ASX; or

(e) 15 calendar days (15) from the release of a disclosure document offering securities in the Company (**Closed Period**).

For the avoidance of doubt, during the Closed Period, Directors and Employees must not deal in financial products issued or created over or in respect of the Company's securities.

The Closed Period may be extended, shortened or another Closed Period may be introduced at any time by direction of the Board. Notice of such changes will be specified to Employees by email and to Directors by email and/or facsimile. Changes to the Closed Period are effective immediately upon the giving of such notice. Where an Employee does not have email access, it is the manager's responsibility to inform such Employee.

If a Director or Employee is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at **any** time.

4.2 No short-term trading in the Company's securities

Directors and Employees should never engage in short-term trading of the Company's securities except for the exercise of options where the shares will be sold shortly

thereafter.

4.3 Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

4.4 Exceptions

Directors and all Employees may at any time:

(a) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;

(b) acquire Company securities under a bonus issue made to all holders of securities of the same class;

(c) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;

(d) acquire, or agree to acquire or exercise options under a Company share option plan;

(e) withdraw ordinary shares in the Company held on behalf of the employee in an employee share plan where the withdrawal is permitted by the rules of that plan;

(f) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;

(g) transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;

(h) make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;

(i) where a restricted person is a trustee, trade in the securities of the Company by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the

investment managers independently of the restricted person;

(j) undertake to accept, or accept, a takeover offer;

(k) trade under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;

(l) dispose of securities of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;

(m) exercise (but not sell securities following exercise) an option or a right under an employee incentive scheme, or convert a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period and the Company has been in an exceptionally long prohibited period or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; or

(n) trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

The Company has in place an active employee option plan.

Accordingly:

(a) it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of these options unless the sale of those shares occurs during one of the 15 day periods specified in paragraph 4.1; and

(b) where the exercise price of options is being provided by a margin loan or other form of lending arrangement then there may be a risk that the employee or Director may need to sell shares to avoid providing additional capital or security to the lender in the event of a decrease in the value of the shares.

Were this to occur at a time when the person possessed inside information then the sale of Company securities would be a breach of insider trading laws, even though the person's decision to sell was not influenced by the inside information that the person possessed

and the person may not have made a profit on the sale. Where Company securities are provided to a lender as security by way of mortgage or charge a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws.

4.5 Notification of periods when Directors and Employees can trade

The Company Secretary will endeavour to notify Directors and Employees of the times when they are permitted to buy or sell the Company's securities as set out in paragraph 4.1.

5.0 Clearance and Notification Requirements

5.1 Clearance Requirements – Directors

Any Director wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written clearance of the Chairman or the Board before doing so; or

If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities the Chairman must obtain the prior written clearance of the Board before doing so.

5.2 Clearance Requirements – Employees

Any Employee wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written clearance of the Managing Director before doing so.

5.3 Notification

Subsequent to approval obtained in accordance with clause 5.1 and 5.2, any Director or Employee who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities must notify the Company Secretary in writing of the details of the transaction within five (5) business days of the transaction occurring. This notification obligation operates at all times but does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme.

5.4 Approvals to buy or sell securities

All requests to buy or sell securities must include the intended volume of securities to be purchased or sold and an estimated time frame for the sale or purchase.

Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

5.5 Director and Employees sales of securities

Directors and Employees need to be mindful of the market perception associated with any sale of Company securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Company securities (i.e. a volume that would represent a volume in excess of 10% of the total securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Director, the Chief Executive Officer or other Employees needs to be discussed with the Board and the Company's legal and financial advisers prior to the execution of any sale. These discussions need to be documented in the form of a file note, to be retained by the Company Secretary.

5.6 Exemption from Closed Period restrictions due to exceptional circumstance

A Director or Employee who is not in possession of inside information in relation to the Company, may be given prior written clearance by the Managing Director (or in the case of a Director the Chairman, or in the case of the Chairman all of the other members of the Board) to sell or otherwise dispose of Company securities during a Closed Period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.

5.7 Severe Financial Hardship or Exceptional Circumstances

The determination of whether a Director or Employee is in severe financial hardship will be made by the Chief Executive Officer/Managing Director in the case of Employees, the Chairman in the case of a Director, and all of the Board in the case of the Chairman.

A financial hardship or exceptional circumstances determination can only be made by examining all of the facts and if necessary obtaining independent verification of the facts from banks, accountants or other like institutions.

5.8 Financial Hardship

A Director or Employee may be in severe financial hardship if they have a pressing financial commitment that can not be satisfied other than by selling the securities of the Company.

In the interests of an expedient and informed determination by the Chief Executive Officer/Managing Director, Chairman or Board, any application for an exemption allowing the sale of Company securities during a Closed Period based on financial hardship must be made in writing, be accompanied by a statutory declaration stating all of the facts and be accompanied by copies of relevant supporting documentation, including contact details of the person's accountant, bank and other such independent institutions.

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

5.9 Exceptional Circumstances

Exceptional circumstances may apply to the disposal of Company securities by a Director or Employee if the person is required by a court order, a court enforceable undertaking for example in a bona fide family settlement, to transfer or sell securities of the Company or there is some other overriding legal or regulatory requirement to do so.

Any application for an exemption allowing the sale of Company securities during a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation.

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

6.0 ASX notification for Directors

Listing Rule 3.19A requires the Company to notify the ASX within 5 business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX after the date of the change and in any event no later than 3 business days after the change or another time frame which allows for compliance with the Listing Rule obligations.

7.0 Effect of Compliance with this Policy

Compliance with this Policy is mandatory. Infringement of the insider trading provisions can attract a substantial monetary penalty, imprisonment or both. Compliance with this Policy does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

Any breach of this Policy will be regarded as serious and will be subject to appropriate sanctions.

8.0 Contact

If you have any questions regarding this Policy, please contact the Company Secretary.

Annexure 4 - Audit and Risk Management Committee Charter

Adopted by Board on [insert]

The Board of Kina has established an Audit and Risk Management Committee. The purpose for which the Audit and Risk Management Committee has been established and the powers of the Committee are set out in this document.

The Board and Officers of Kina are committed to managing its risks but ultimately it is the responsibility of the Board for risk management and control. The Board is charged with examining and considering areas of significant business risk on an ongoing basis and to implement policy to minimise exposure to these risks.

1. **Definitions**

General terms and abbreviations used in these policy statements have the following meaning set out below.

ASX	ASX Limited
Board	the Board of Directors of Kina
Chairman	the Chairman of the Board
Company Secretary	the Company Secretary of the Company
Committee	the Audit and Risk Management Committee
Corporations Act	*Corporations Act 2001* (Cth)
CEO	Chief Executive Officer, who may also be the Managing Director
CFO	Chief Financial Officer (where appointed)
Director	a director of Kina
Kina or the Company	Kina Petroleum Limited ARBN 151 201 704
Listing Rules	the Listing Rules of the ASX
Officer	a senior executive of Kina

2. **Role and Objectives**

The primary role of the Committee is to monitor and review, on behalf of the Board, the effectiveness of the controlled environment of Kina in the areas of operational and balance sheet risk, legal/regulatory compliance and financial reporting.

The overriding objective of the Committee is to provide an independent and objective review of financial and other information prepared by the Company, in particular that to be provided to members and/or filed with regulators, including:

- overseeing Kina's discharge of its responsibilities with respect to:
  - (a) the financial statements, financial report and annual report;
  - (b) legal/regulatory compliance;
  - (c) protection of capital; and
  - (d) risk management systems,
- overseeing Kina's relationship with external auditors; and
- determining the independence of the external auditors and the policy for audit partner rotation.

The Committee is also responsible for the review of the Company's risk management program and ensure that areas of risk have been identified and that the appropriate internal controls have been implemented and are operating efficiently in all material respects.

The Committee will meet and receive regular reports from its external auditors concerning matters that arise in connection with their audit. The Committee is also responsible for review of performance and nomination of the external auditors.

3. **Membership and Structure of the Committee**

The Committee members are appointed, removed and/or replaced by the Board. The term of an appointment is to be determined by the Board.

Unless otherwise determined by the Board, the Committee comprises only non-executive directors and a minimum of 3 directors. It is intended that a majority of the Committee at any time will be independent directors such that they are independent of management and free of any conflicts, business or other relationship that could materially interfere with – or could reasonably be perceived to interfere with – the exercise of their unfettered and independent judgement.

The Chairman should be an independent director and not the Chairman of the Board.

The Board will appoint the Chairman of the Committee.

The current members of the Committee are:

- Dr Ila Temu (Chairman);
- John Prendiville; and
- Mr Barry Tan

Other non-executive directors who are not Committee members may attend meetings of the Committee should they wish. The external auditors and other officers of the company may attend meetings of the Committee by invitation. The CEO/MD, CFO (or equivalent) and external auditors shall be given notice of all meetings and may be invited to attend.

All persons appointed to the Committee will be financially literate (able to read and understand financial statements) and have sufficient financial knowledge and understanding to allow them to discharge their responsibilities.

The Board will review the membership and charter of the Committee annually, in accordance with paragraph 7.

The Committee has the authority, within the scope of its responsibilities, to seek any information it requires from an employee or external party.

The Committee shall have direct access to Company's senior management. The Committee Chairman shall have the authority to directly seek independent, professional or other advisers as required for the Committee to carry out its responsibilities.

4. **Administrative matters**

It is intended that the Committee will meet at least 3 times each year, or as often as the Committee members deem necessary in order to fulfil their role and objectives set out in this Charter.

Except as set out in this Charter, the Committee is subject to the Board's general policy for engaging or seeking advice from financial and legal advisers.

The Company Secretary will attend all Committee meetings as minute secretary. All minutes of the Committee will be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

5. **Reporting**

It is intended that a report of the actions of the Committee and/or a copy of the minutes of

the Committee meeting will be included in the Board papers for the Board meeting next following a meeting of the Committee.

The Chairman will, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting. All directors may, within the Board meeting, request information of members of the Committee.

The Committee will conduct an annual self appraisal of its performance with respect to the Charter.

6. Responsibilities and functions

6.1 Overview

The Committee's key responsibilities and functions are to:

- oversee Kina's relationship with the external auditor (including forming a policy on the provision of non-audit services and the rotation of external auditor personnel on a regular basis) and the external audit function generally;
- oversee the adequacy of the control processes in place in relation to the preparation of financial statements and reports;
- ensure that the financial reports comply with accounting and financial reporting standards, ASX and legal requirements;
- oversee the adequacy of the Kina's financial controls and systems; and
- oversee the process of identification and management of business, financial and commercial risks (other than credit and trading (financial market) risk).

6.2 Audit

The Committee's specific function on audit is to review and report to the Board that:

- the system of control, which management has established, effectively safeguards the assets of Kina ;
- processes are in place such that accounting records are properly maintained in accordance with statutory requirements; and
- processes exist to reasonably guarantee that financial information provided to investors and the Board is accurate and reliable.

The following are intended to form part of the normal procedures for the Committee's audit responsibility:

- recommending to the Board the appointment and removal of the external auditors and reviewing the terms of engagement;
- approving the audit plan of the external auditors;
- monitoring the effectiveness and independence of the external auditors;
- obtaining assurances that the audit is conducted in accordance with the Auditing Standards and all other relevant accounting policies and standards;
- providing recommendations to the Board as to the role of the internal auditor/internal audit function, if any;
- reviewing and appraising the quality of audits conducted by Kina's external auditors and confirming their respective authority and responsibilities;
- monitoring the relationship between management and the external auditors;
- evaluating the adequacy, effectiveness and appropriateness of Kina's administrative, operating and accounting control systems and policies;
- reviewing and evaluating controls and processes in place to ensure compliance with approved policies, controls, and with applicable accounting standards and other requirements relating to the preparation and presentation of financial results;
- overseeing Kina's financial reporting and disclosure processes and the outputs of that process;
- determining the reliability, integrity and effectiveness of accounting policies and financial reporting and disclosure practices;
- reviewing (in consultation with management and external auditors) the appropriateness of the accounting principles adopted by management in the composition and presentation of financial reports and approving all significant accounting policy changes.

5.3 Appointment of External Auditors

An external audit partner is to be permanently engaged by the Company to provide shareholder and investor confidence in the integrity of the Company's financial reports. The Company requires the external audit partner to maintain independence from the Company in accordance with the Corporations Act and this Policy.

Each year, the Company and the auditors should document the terms of engagement and present them to the Audit Committee for approval. Terms of engagement must include:

- confirmation of the audit firm's continuing independence and the continuing independence of the senior audit partner;
- a requirement for the audit partner to be present at the AGM for the purpose of answering shareholder questions about the conduct of the audit and the preparation and content of the auditor's report. The agenda for the AGM must include provisions for questioning the auditor;
- ready access of the audit partner to the Committee through the Chairman of the Committee;
- a requirement for the auditor to provide the Committee a full and complete report on the audit with a copy presented to management.

On the completion of the year end audit, the Committee is to receive a copy of the audit closing report which clearly documents any potential issues in the financial statements. The Committee must be satisfied that the decision not to adjust any errors identified by the auditors would not materially impact the financial statements.

5.4 **Risk and Compliance**

The Committee's specific function with respect to risk management is to review and report to the Board that:

- the Company's ongoing risk management program effectively identifies all areas of potential risk;
- adequate policies and procedures have been designed and implemented to manage identified risks; and
- proper remedial action is undertaken to redress areas of weakness.

The following are intended to form part of the normal procedures for the Committee's risk responsibility:

- evaluating the adequacy and effectiveness of the management reporting and control systems used to monitor adherence to policies and guidelines and limits approved by the Board for management of balance sheet risks;
- evaluating the adequacy and effectiveness of Kina's financial and operational risk

management control systems by reviewing risk registers and reports from management and external auditors;

- evaluating the structure and adequacy of Kina's own insurances on an annual basis;
- reviewing and making recommendations on the strategic direction, objectives and effectiveness of Kina's financial and operational risk management policies;
- overseeing the establishment and maintenance of processes to ensure that there is:

  (a) an adequate system of internal control, management of business risks and safeguard of assets; and

  (b) a review of internal control systems and the operational effectiveness of the policies and procedures related to risk and control;

- evaluating Kina's exposure to fraud and overseeing investigations of allegations of fraud or malfeasance;
- reviewing Kina's main corporate governance practices for completeness and accuracy;
- overseeing the proper evaluation of the adequacy and effectiveness of Kina's legal compliance control systems; and
- providing recommendations as to the propriety of related party transactions.

7. **Review**

The Board will, at least once in each year:

- review the membership and Charter of the Committee to determine its adequacy for current circumstances. Where necessary, the Board, upon the recommendation of the Committee, may by resolution, alter the responsibilities, functions or membership of the Committee. The Committee may also recommend to the Board the formal adoption of the revised charter for future operations of the Committee; and
- oversee the preparation of any report or other disclosures to be included in Kina's annual report or other communications to shareholders relating to the external auditors and Kina's financial statements.

8. **Risk Profile & Management of Risks**

Risk is an inherent part of the oil and gas exploration business that Kina is involved in. Kina

is in a highly competitive market sector.

Kina regards business risks as threats to the achievement of Kina's objectives and goals and to the successful execution of its strategies.

The main risks faced by Kina are:

- Exploration Risk and Development Risk;
- Environmental Risk;
- Legal, compliance and documentation risk (including Land Access Risk);
- Regulatory risk;
- Occupational Health and Safety Risk;
- Credit risk;
- Financing and Capital Adequacy Risk;
- Foreign Exchange risk.

9. **Risk Oversight**

The Committee reviews and the Board will approve:

- Kina's risk management strategy and policies;
- Kina's risk management framework, including key policies and procedures, including any changes to the risk management framework or any key risk policies and procedures; and
- Compliance with the endorsed risk management framework through monthly reporting to the Board.

Authority may be delegated to management where appropriate.

The Committee will regularly review business risks applicable to the business and ongoing operations. Additionally, the Committee considers risk profiles as part of the annual strategy review and budget planning review. As part of the monitoring process, the Committee is provided with management reports, documenting as applicable:

- Reports on exposures, non compliance with key policies and general effectiveness of risk management systems, when necessary;
- Results of independent reviews of the control environment, if and when conducted;
- Other information considered appropriate.

10. **Compliance & Control / Assessment of Effectiveness**

The Board has delegated certain activities to the Committee, namely those of a primarily financial nature.

The Committee reviews and reports to the Board on matters including:

- the integrity of Kina's financial and external reporting;
- the external auditors' selection, scope and independence; and
- the effectiveness and adequacy of management information and internal control structures.

The Committee also plays a key role for the Board in overseeing management's application of the ASX Corporate Governance Council Guidelines in respect of Financial Reporting and Risk oversight.

11. **Risk Management**

The management of operational risk and the implementation of mitigation measures is the responsibility of management and specifically the Managing Director.

The risk management and internal control systems within Kina encompass all policies, processes, practices and procedures established by management and/or the Board to provide reasonable assurance that:

- established corporate and business strategies and objectives are achieved;
- risk exposure is identified and adequately monitored and managed;
- resources are acquired economically, adequately protected and managed efficiently and effectively in carrying out Kina's business;
- significant financial, managerial and operating information is accurate, relevant, timely and reliable; and

- there is an adequate level of compliance with policies, standards, procedures and applicable laws and regulations.

Management are responsible to the Board to:

- Delegate approvals required under the risk management framework;
- Report risk management including operational issues, operational losses;
- Monitor operational control weaknesses and breakdowns, including fraud;
- Monitor due diligence conducted for appointment and ongoing monitoring of outsourced arrangements;

12. **Publication**

A copy of this Charter is available at www.kinapetroleum.com.au

Annexure 5 Nomination and Remuneration Committee Charter

Adopted by Board on 11 May 2011

Given the size and scale of operations of the Company, the Board considers those matters that would usually be the responsibility of a nomination and remuneration committee.

The Nomination and Remuneration Charter has been adopted by the Board to assist it in fulfilling its duties.

1. Definitions

General terms and abbreviations used in this Charter have the following meaning set out below.

Board	the board of directors of Kina
CEO	Chief Executive Officer, who may also be the Managing Director
CFO	Chief Financial Officer (where appointed)
Charter	this Nomination and Remuneration Charter
Kina or the Company	Kina Petroleum Limited ARBN 151 201 704

2. Role and Objectives

The Board will undertake the role of the Nomination and Remuneration Committee including relating to the appointment and remuneration of the non-executive directors, Managing Director, Company Secretary, CFO (or equivalent), and other senior executives and employees of Kina.

Initially the Board is responsible for recommending remuneration practices and policies.

The objectives of the Board in relation to these roles include:

- to review and assess the necessary and desirable competencies of the non-executive members of the Board;
- to develop succession plans for the Board and to oversee development by management of succession planning for senior executives; and

- to review remuneration practices and policies.

3. **Membership of the Committee**
The full board fulfils the function of the Committee

Administrative matters

The Board will consider these Nomination and Remuneration issues as often as deemed required. It is intended that this will occur at least once a year.

4. **Responsibilities and functions**
The Board will be responsible for:

- Determining and reviewing:
  - the total level of remuneration of non-executive directors and for individual fees for non-executive directors and the Chairman, including any additional fees payable for membership of Board committees;
  - the total remuneration package for the Managing Director, Company Secretary, and the CFO (or equivalent), including short term and long term incentives;
  - management succession planning in regard to the Managing Director, Company Secretary, and the CFO (or equivalent);

For the avoidance of doubt, the Committee will separately consider the remuneration packages of non-executive directors, executive directors and senior executives.

- reviewing and approving management recommendations on remuneration practices and policies, and the remuneration of employees generally;
- reviewing the performance targets for senior management;
- reviewing management succession planning for Kina in general;
- reviewing the appointments and terminations to senior management positions;
- reviewing Kina's obligations on matters such as superannuation and other employment benefits and entitlements.
- reviewing the appointment of non-executive directors, including attending to the following matters:

- periodically assessing the appropriate mix of skills, experience and expertise required on the Board and assessing the extent to which the required skills are represented on the Board;

- establishing processes for the identification of suitable candidates for appointment to the Board, including, establishing criteria for Board membership, engaging appropriate search firms to assist in identifying potential candidates, and

- where appropriate, nominating appropriate candidates for non-executive directorship.

- monitoring the length of service of current Board members, considering succession planning issues and identifying the likely order of retirement by rotation of non-executive directors;

- establishing processes for the review of the performance of individual non-executive directors, the Board as a whole and the operation of Board committees;

- designing induction and ongoing training and education programs for the Board to ensure that non-executive directors are provided with adequate information regarding the operations of the business, the industry and their legal responsibilities and duties; and

- monitoring board members and senior executives to ensure no transactions in associated products are entered into which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.

5. **Review**
The Board will, at least once per year, review the Nomination and Remuneration Charter to determine its adequacy for current circumstances. Where necessary the Board may by resolution alter the terms of the Nomination and Remuneration Charter.

6. **Access and Advisers**
The Board shall have direct access to Company's senior management. The Board shall have the authority to directly seek independent, professional or other advisers as required for the Board to carry out its responsibilities under this Nomination and Remuneration Charter.

7. If the Board engages expert advisers on matters pertaining to the remuneration of directors and key management personnel, those advisers are to provide advice directly to the Board, independent of management. If the Board enters into an arrangement or commissions advisers on matters relating to remuneration, these arrangements will be disclosed in the Corporate Governance section of the Company's annual report to shareholders.

8. **Publication**
A copy of this Charter is available at www.kinapetroleum.com.au

Annexure 6 – Continuous Disclosure Policy and Communications Strategy

Adopted by Board on 11 May 2011

1. **Introduction**

The Board recognises its duty to ensure that its shareholders are informed of all major developments affecting Kina's state of affairs.

Furthermore, Kina respects the rights of its shareholders and to facilitate the effective exercise of those rights, the Company is committed to:

- communicating effectively with shareholders;
- providing shareholders with ready access to balanced and understandable information about the Company and corporate proposals; and
- making it easier for shareholders to participate in general meetings of the Company.

2. **Definitions**

General terms and abbreviations used in this policy statement have the following meaning set out below.

CEO	Chief Executive Officer, who may also be the Managing Director
Chairman	the Chairman of the Board of Directors
Company Secretary	the Company Secretary of the Company
Corporations Act	the *Corporations Act 2001* (Cth)
Director	a director of Kina
Kina or the Company	Kina Petroleum Limited ARBN 151 201 704
Listing Rules	the Listing Rules of the ASX Limited
Officer	a senior executive of Kina

This Policy provides that information will be communicated to shareholders and the market through:

(a) the Annual Report which is distributed to shareholders (usually with the Notice of Annual

General Meeting);

(b) the Annual General Meeting and other general meetings called to obtain shareholder approvals as appropriate;

(c) the Half-Yearly Directors' and Financial Reports;

(d) Quarterly Activities and Cash Flow Reports;

(e) other announcements released to ASX as required under the continuous disclosure requirements of the Listing Rules and other information that may be mailed to shareholders.

3. **Communication channels**

The Company will actively promote communication with shareholders through a variety of measures, including the use of Kina's website and email. The Company's reports and, if and when listed on ASX Limited, ASX announcements will be available for viewing and downloading from its website: www.kinapetroleum.com.au or the ASX website: www.asx.com.au under ASX code "KPL".

The Board encourages full participation of shareholders at Annual General Meetings and general meetings and uses these meetings to assist shareholders in understanding Kina's objectives and strategies in relation to its business activities.

Kina's Annual Report is the main vehicle for communicating with shareholders on the activities and performance of the Company in the previous 12 months. The Annual Report will be posted on Kina's website and will be downloadable.

In accordance with the Listing Rules, the Company will notify the ASX immediately of information:

(a) concerning Kina that a ***reasonable person*** would expect to have a ***material effect*** on the price or value of Kina's securities; and

(b) that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of Kina's securities.

This also applies to information that the market requires to correct or prevent a false market where trading in Kina's securities occurs in the absence of material price-sensitive information; or on the basis of information that is inaccurate or misleading. In such a circumstance, and in compliance with the Listing Rules, Kina will give the ASX the information needed to correct or prevent the false market.

4. **Determining "disclosable" information**

In accordance with legal, statutory and ASX listing requirements (particularly Listing Rule 3.1), Kina will disclose all information concerning it, of which it is or becomes aware, that a reasonable person would expect to have a material effect on the price or value of its securities.

Information will be taken to have a material effect on the price or value of Kina's securities if a reasonable person would expect the information to, or be likely to, influence persons who commonly invest in securities in deciding whether or not to trade the securities.

The Company Secretary, in consultation with the Chairman, has responsibility for determining whether a particular piece of information is material or falls within the exception, otherwise the information should be provided to the ASX for a determination.

5. **Continuous disclosure compliance**

The Company Secretary has responsibility for:

- ensuring employees (including Directors and Officers) receive a copy of this policy statement as well as a copy of Guidance Note 8 of the Listing Rules, which highlights the general principles and obligations set out in Chapter 3 of the Listing Rules pertaining to Continuous Disclosure;
- conducting education sessions for new staff members;
- ensuring that Kina has an effective reminder system regarding the obligations of employees to notify the Company Secretary of matters that may be disclosable under this Policy, and to otherwise comply with this Policy. This may be via email, in staff meetings or by refresher courses conducted annually;
- including in the reminder system a requirement that all staff members report potential breaches of this policy directly to the Company Secretary; and
- ensuring that Directors and Officers are briefed in detail regarding the continuous disclosure regime.

6. **Disclosure agreements**

All Directors have, and new Directors shall, enter into a Director Disclosure Agreement with Kina (as set out in Guidance Note 22 of the Listing Rules). The Company Secretary is to maintain records of signed copies of these agreements.

Kina
PETROLEUM LIMITED

7. **Release of ASX announcements**

Kina recognises that non-public, material information (which may include positive as well as negative information affecting the prospects for Kina), must be released in a timely manner and when released, must be made broadly available to the market. Accordingly, all new material information in the first instance will be released to the ASX.

The procedure for the release of ASX announcements is as follow:

- the Board shall review and provide written approval to the Company Secretary in respect of all key announcements prior to release to the market;
- any relevant parties named in the announcement shall review for factual accuracies in respect of information attributable to them and provide written consent for inclusion of the names in the announcement to the Company Secretary;
- the Chairman (and in his absence the Company Secretary) is to give the final sign-off before release to the ASX;
- all announcements are to be released electronically by the Company Secretary;
- after confirmation of the release has been obtained from ASX, the Company Secretary will circulate the release to all Directors and Officers of Kina;
- all announcements released are to be posted on the Company website as soon as practicable; and
- the Company Secretary is to maintain a register and copy of all announcements released.

As a policy matter, Kina will not comment on rumours unless, in the circumstances, this would amount to a breach of Listing Rule 3.1B or other applicable laws.

8. **Dealing with the media and analysts**

All media enquiries relating to Kina are to be coordinated by the Company Secretary, in consultation, with the CEO/MD and Chairman. Media comment will be made only by the Chairman, the CEO/MD or other authorised Company spokesperson.

The CEO/MD in consultation with the Chairman will approve all press releases referring to material issues prior to release.

Kina will actively seek to provide private briefings to analysts, institutions and

stockbrokers to enhance their understanding of the Company. However, these private briefings must not involve the disclosure of price-sensitive information. If any new information is provided in the presentation, a copy must be lodged with the ASX prior to that meeting. If price-sensitive information is inadvertently disclosed at a private briefing, then the information must be announced to the ASX as soon as practicable.

If an analyst asks a question at a private briefing which touches on a price-sensitive area, then the Kina spokesperson can only use publicly available information in the answer. Where this is not possible, then the Kina spokesperson should decline to answer the question or take it on notice and answer it after a general disclosure to the ASX has been made. As such, at any private briefing at least two executives should be present and a detailed record of the meeting be taken.

In respect of telephone conversations with investors, analysts and the media, a record should be made of the conversation.

9. **Dealing with shareholders**

Kina will use annual general and other general meetings to communicate with shareholders about its financial performance and business strategy. At all shareholder meetings, Kina will actively encourage and allow a reasonable opportunity for shareholder participation.

In all other cases, depending on the nature of the enquiry, the CEO/MD, Company Secretary or Share Registry will deal with private shareholder enquiries.

10. **Disclosure of information**

This policy will be made available, and updated as required, on Kina's website in a clearly marked corporate governance section.

Annexure 7 – Diversity Policy

Adopted by Board on 11 May 2011

1. Introduction

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of its people. This Policy is designed to support the Company's commitment to diversity and to compliance generally with the Principles and Recommendations.

To the extent practicable, Kina will address the recommendations and guidance provided in the Principles and Recommendations.

2. Definitions

General terms and abbreviations used in this Policy have the following meaning set out below.

ASX	ASX Limited
Principles and Recommendations	the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council, as amended or replaced from time to time.
Corporations Act	*Corporations Act 2001* (Cth)
Company or Kina	Kina Petroleum Limited ARBN 151 201 704

3. Objectives

This Policy provides a framework for Kina to achieve:

- a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of

the benefits of workforce diversity and successful management of diversity; and

- awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity (Objectives).

4. Benefits of diversity

Workplace diversity refers to a variety of differences between people in an organisation, diversity encompasses, among a range of matters, differences in gender, age, ethnicity, race, disability and cultural background. Embracing diversity in the workforce contributes to the Company achieving its corporate objectives and enhances its reputation and enables the Company to:

- recruit the right people from a diverse pool of talented candidates;
- create a culture that embraces diversity and that rewards people to act in accordance with
- this Policy;
- retain and develop an appropriate skills base in the Company;
- make more informed and innovative decisions, drawing on the wide range of ideas, experiences, approaches and perspectives that employees from diverse backgrounds, and with differing skill sets, bring to their roles in the Company; and
- better represent the diversity of all stakeholders.

• Responsibilities

The Board's Commitment

The Board is committed to workplace diversity, with a particular focus on supporting the representation of women at a senior level of the Company and on the Board.

The Board is responsible for developing measurable objectives and strategies to meet the Objectives of this Policy (**Measurable Objectives**) and monitoring the progress of the Measurable Objectives through the monitoring, evaluation and reporting mechanisms listed below.

The Board will conduct all Board appointment processes in a manner that promotes gender diversity, including establishing a structured approach for identifying a pool of candidates

Strategies

Kina's diversity strategies include:

- recruiting from a diverse pool of candidates for all positions, including senior management and the Board;
- reviewing succession plans to ensure an appropriate focus on diversity;
- identifying specific factors to take account of in recruitment and selection processes to encourage diversity;
- developing programs to develop a broader pool of skilled and experienced senior management and board candidates, including workplace development programs, mentoring programs and targeted training and development;
- developing a culture which takes account of domestic responsibilities of employees; and
- any other strategies the Board develops from time to time.

5. Monitoring and Evaluation

Measurable Objectives set by the Board will be included in the annual key performance indicators for the Managing Director and senior executives. In addition, the Board will review progress against the Objectives as a key performance indicator in its annual performance assessment.

6. Reporting

The Board will include in the Annual Report each year:

- Measurable Objectives, if any, set by the Board.
- progress against the Objectives. and
- the proportion of women employees in the whole organisation, at senior management level and at Board level.