

## KIN MINING AND PNX METALS MERGER TO CREATE EXCEPTIONAL PLATFORM FOR GROWTH

Combination set to create a diversified resource group with high-quality development and exploration assets in WA and the NT spanning gold & silver, base metals and uranium.

15 April 2024

### HIGHLIGHTS

- Kin Mining (KIN) and PNX Metals (PNX) have agreed to merge by way of a Scheme of Arrangement, under which KIN will acquire 100% of the PNX shares on issue.
- The Merged Group, capitalised at A\$123.0m<sup>1</sup>, offers compelling value and an exceptional platform for growth with a balance sheet consisting of A\$89.6m in cash and liquid investments and no debt<sup>2</sup>.
- The merger will create a diversified portfolio of quality mineral assets in Tier-1 jurisdictions across Australia hosting total Mineral Resources in excess of 1.4 Moz gold, 16.2 Moz silver and 177 Kt zinc<sup>3</sup> with significant near-term expansion potential, and multiple highly prospective gold, base metal and uranium prospects.
- PNX shareholders will receive 1 fully paid ordinary share in KIN for every 13 fully paid ordinary PNX shares held on the Scheme record date. On a like-for-like basis, this represents:
  - a 6.2% premium using the 30-day VWAP of KIN shares and PNX shares respectively.
- Upon implementation of the Scheme, KIN and PNX shareholders will hold approximately 72% and 28% of the Merged Group respectively.<sup>4</sup>
- The Independent PNX Directors unanimously recommend the Scheme and intend to vote all their PNX shares in favour of the Scheme in the absence of a superior proposal, and subject to the Independent Expert concluding in the Independent Expert's Report (and continuing to conclude) that the Scheme is in the best interests of PNX shareholders.
- The Independent KIN Directors unanimously recommend the Scheme and intend to vote all their KIN shares in favour of the resolution to be put to KIN shareholders for the purposes of ASX Listing Rule 10.1 in respect of the acquisition of the PNX shares from certain substantial shareholders of PNX pursuant to the Scheme, in the absence of a superior proposal.

Kin Mining NL (“**KIN**”) (ASX: KIN) and PNX Metals Limited (“**PNX**”) (ASX: PNX) are pleased to announce they have entered into a binding scheme implementation deed (“**SID**”) under which KIN will, subject to the satisfaction of various conditions, acquire all of the fully paid ordinary shares in PNX by way of a Scheme of Arrangement under Part 5.1 of the *Corporations Act 2001* (Cth) (“**Scheme**”).

<sup>1</sup> Pro-forma market capitalisation, on a fully diluted basis (assuming 474,590,037 PNX shares are issued with regards the Silver Streaming Agreements and including the 115,000,000 PNX shares issued on 12 April 2024), is based on the 10-day VWAP of KIN, \$0.0751, as at 11 April 2024, being the last trading day prior to this announcement.

<sup>2</sup> Based on the cash position of PNX of A\$0.7m as at 31 March 2024, the market value of KIN's investment in Genesis Minerals (ASX: GMD) of A\$22.9m as at 12 April 2024, being the last trading day prior to this announcement, and KIN's cash position of A\$66.1m at 12 April 2024.

<sup>3</sup> Refer Annexure A and Annexure B of this announcement.

<sup>4</sup> Assumes 474,590,037 PNX shares are issued with regards the Silver Streaming Agreements and includes the 115,000,000 PNX shares issued on 12 April 2024.

Under the terms of the Scheme, each PNX shareholder will receive 1 ordinary fully paid share in KIN for every 13 ordinary fully paid PNX shares held on the Scheme record date. On a like for like basis this represents;

- a 23.9% premium using the 10-day VWAP of KIN shares and PNX shares respectively; and
- a 6.2% premium using the 30-day VWAP of KIN shares and PNX shares respectively.

If the Scheme is approved and implemented, KIN and PNX will form a merged group (“**Merged Group**”) whereby KIN shareholders will hold approximately 72% and PNX shareholders will hold 28% of the Merged Group.<sup>5</sup>

The independent board committee of PNX (“**PNX IBC**”), comprising Graham Ascough, James Fox and Hans-jörg Schmidt (each an “**Independent PNX Director**”), **unanimously recommends** the Scheme to PNX shareholders and recommends that all PNX shareholders vote in favour of the Scheme at the Scheme Meeting, in the absence of a superior proposal, and subject to the Independent Expert concluding in the Independent Expert's Report (and continuing to conclude) that the Scheme is in the best interests of PNX shareholders.

Subject to those same qualifications, each Independent PNX Director intends to vote, or cause to be voted, all PNX shares in which they have a relevant interest in favour of the Scheme at the Scheme Meeting.

The independent board committee of KIN (“**KIN IBC**”), comprising Guiseppe Graziano and Nicholas Anderson (each an “**Independent KIN Director**”), **unanimously recommends** the Scheme and intend to vote all their KIN shares in favour of the resolution to be put to KIN shareholders for the purposes of ASX Listing Rule 10.1 in respect of the acquisition of the PNX shares from certain substantial shareholders of PNX pursuant to the Scheme, in the absence of a superior proposal.

Neither Rowan Johnston nor Hansjoerg Plaggemars make any recommendation in connection with the Scheme as each of them does not consider it appropriate for them to do so given that they are each Directors of both KIN and PNX.

**Mr Graham Ascough, Executive Chairman of PNX, commented:** “The merger of Kin and PNX is set to create one of the most exciting growth stocks in the junior resource sector on the ASX. The combined entity will have unparalleled balance sheet strength, a dynamic management team comprising like-minded individuals from each company, and a fantastic exploration and growth pipeline in WA and the NT.

“PNX shareholders will gain exposure to Kin’s high-quality gold projects in the Leonora region, where it has a proven track record of value-creation through its recent transactions with Genesis Minerals. Kin’s retained gold inventory in this district offers outstanding optionality and growth potential, particularly in a rising gold market, along with the upside of its recent VHMS base metal discovery and other recent exploration breakthroughs.

“The combined entity’s strong funding position and enhanced liquidity will allow us to accelerate exploration of PNX’s exciting Thunderball Uranium Project and the development of our gold, silver and polymetallic resources at Fountain Head and Hayes Creek.”

**Mr Nicholas Anderson, Executive Director of KIN, commented:** “The proposed merger with PNX is consistent with Kin’s recently articulated strategy of leveraging its strong balance sheet position and expertise to pursue value-adding M&A and corporate opportunities Australia-wide.

“PNX has an extensive and high-quality tenement portfolio in the Pine Creek region of the Northern Territory, one of Australia’s most prolific resource provinces. This portfolio includes a unique mix of development-level zinc, gold and silver assets and an exciting uranium deposit at Thunderball that has sat dormant for over a decade.”

“Kin’s strong balance sheet position gives us the capability to evaluate and fast-track the exploration of these projects, in parallel with our ongoing gold and base metal exploration at Cardinia in WA. This is a great example of sensible consolidation in the junior resource sector in what remains a challenging market for small companies. We are looking forward to working with the PNX team to complete this transaction.”

<sup>5</sup> Assumes 474,590,037 PNX shares are issued with regards the Silver Streaming Agreements and includes the 115,000,000 PNX shares issued on 12 April 2024.

## STRATEGIC RATIONALE AND HIGHLIGHTS

### Strong balance sheet and exciting portfolio offers an exceptional platform for growth

- The Merged Group is expected to have a pro-forma market capitalisation of approximately A\$123.0<sup>6</sup>, cash and liquid investments of A\$89.6m and no debt<sup>7</sup>.
- This strong balance sheet position provides optionality, financial flexibility, and a platform for growth on the combined portfolio of quality assets.

### Merged Group offers compelling value to shareholders

Implied pro-forma enterprise value of A\$33.4m offers compelling value, given the diversified and highly prospective portfolio the merged group will form, with Mineral Resources in excess of 1.4 Moz gold, 16.2 Moz silver and 177 Kt zinc<sup>8</sup>.

### Complementary combination of diversified assets in Tier 1 jurisdictions across Australia.

- Significant gold Mineral Resources in the Leonora region close to existing processing plants with approved mining proposals, and potential for high-grade gold discoveries, also project expansion through promising recent VHMS discoveries<sup>9</sup>.
- Exposure to district-scale gold and base metals potential via an extensive portfolio of 1,500 km<sup>2</sup> of granted Mineral Leases and Exploration Licences, close to Darwin within the prospective Pine Creek region of the Northern Territory.
- Near-term opportunities to advance the Pine Creek development projects with key environmental approvals granted for the Fountain Head gold project and technical studies well advanced for the Hayes Creek zinc-gold-silver project.
- The high-grade Thunderball uranium deposit, also located in Pine Creek, offers significant grade and resource upside potential in one of the world's largest and richest uranium provinces<sup>10</sup>.
- Asset diversification, and improved economies of scale significantly de-risks each shareholder group's portfolio and provides opportunities not available on a standalone basis.
- Funding in place to take full advantage of these highly prospective projects.

### Highly experienced board and management team with proven track record

- Existing KIN directors, Giuseppe Graziano and Nicholas Anderson, will be joined on the Board of the Merged Group by current PNX director, Graham Ascough. Dual directors Rowan Johnston and Hansjoerg Plaggemars will continue on the merged Board. Rowan Johnston will remain as Executive Chairman while the search for an appropriate CEO takes place to lead the expanded group once the Scheme is approved.
- The Merged Group will have an experienced leadership team who have a demonstrated track record of value-creation and accretive transactions.
- The leadership team of the Merged Group can leverage their complementary skill-sets to drive growth and innovation to deliver value to shareholders.

### Merged Group positioned to accelerate multi-asset exploration and growth pipeline

- Strong funding position of the Merged Group provides the opportunity for:
  - Meaningful base metal exploration and growth through existing defined VHMS deposits and promising exploration targets in WA and the NT.

<sup>6</sup> Pro-forma market capitalisation, on a fully diluted basis (assuming 474,590,037 PNX shares are issued with regards the Silver Streaming Agreements and including the 115,000,000 PNX shares issued on 12 April 2024), is based on the 10-day VWAP of KIN, \$0.0751, as at 11 April 2024, being the last trading day prior to this announcement.

<sup>7</sup> Based on the cash position of PNX of A\$0.7m as at 31 March 2024, the market value of KIN's investment in Genesis Minerals (GMD.ASX) of A\$22.9m as at 12 April 2024, being the last trading day prior to this announcement, and KIN's cash position of A\$66.1m on 12 April 2024.

<sup>8</sup> Refer Annexure A and Annexure B of this announcement.

<sup>9</sup> Refer to KIN Announcement released to ASX on 29 January 2024.

<sup>10</sup> Refer to PNX Announcement released to ASX on 15 March 2024.

- Gold exploration and growth of existing Mineral Resource estimates, in conjunction with highly prospective additional targets in WA and the NT.
- Accelerated exploration and expansion of the exciting high-grade Thunderball uranium deposit and new regional targets in the Pine Creek region of the NT.
- The combined knowledge of the NT on ground team and WA on ground team will be merged and shared with drilling campaigns managed to suit seasonal restrictions, providing greater opportunities for employees and flexibility of work programs.
- Near-neighbour reviews both in the NT and WA to assess the potential for further M&A activities.

## TRANSACTION SUMMARY

The Scheme will be implemented by way of a Scheme of Arrangement pursuant to Part 5.1 of the *Corporations Act 2001* (Cth) ("**Corporations Act**") whereby KIN is to provide 1 KIN share for every 13 PNX shares, for all PNX shares on issue as at the record date of the Scheme.

Implementation of the Scheme is subject to various conditions, including:

- The Independent Expert's Report concluding that the Scheme is in the best interests of PNX shareholders and not withdrawing or adversely changing that conclusion;
- Australian Foreign Investment Review Board ("**FIRB**") approval of the Scheme;
- PNX shareholders approving the Scheme by the requisite majorities under the Corporations Act at a Scheme Meeting expected to be held in the coming months;
- KIN shareholders approving the acquisition of Delphi's shares in PNX pursuant to the terms of the Scheme, for the purposes of ASX Listing Rule 10.1;
- Court approval of the Scheme;
- The existing Silver Streaming Agreements with PNX having been terminated, and PNX having issued PNX shares in accordance with the terms of those agreements;
- No PNX or KIN Material Adverse Change or Prescribed Event occurring (each as defined in the SID);
- PNX and KIN representations and warranties being true and correct in all material respects;
- All PNX performance rights having lapsed, been exercised, or cancelled; and
- Various regulatory approvals required to implement the Scheme.

The SID contains customary exclusivity and deal protection provisions, including reciprocal no shop obligations, no talk, and no due diligence conditions (subject to exceptions to enable the Independent PNX Directors and Independent KIN Directors to comply with their fiduciary duties), notification and matching rights for KIN in the event of a competing proposal.

Full details of the terms and conditions of the Scheme are described in the SID, a copy of which is attached to this announcement.



## INDEPENDENT PNX DIRECTORS' RECOMMENDATION

The Scheme has the unanimous support of the Independent PNX Directors.

Each member of the PNX IBC considers the Scheme to be in the best interests of PNX shareholders and unanimously recommends the Scheme to PNX shareholders and recommends that PNX shareholders vote in favour of the Scheme<sup>11</sup>:

- In the absence of a superior proposal; and
- Subject to the Independent Expert concluding in the Independent Expert's Report (and continuing to conclude) that the Scheme is in the best interests of PNX shareholders.

Each member of the PNX IBC intends to vote (or cause to be voted) all PNX shares in which they have a relevant interest in favour of the Scheme (representing approximately 0.6% of the undiluted PNX shares on issue<sup>12</sup>), subject to the qualifications described above.

## MEETING OF PNX SHAREHOLDERS

PNX shareholders do not need to take any action at this time.

PNX will seek Court approval to convene a meeting of PNX shareholders to approve the Scheme ("**Scheme Meeting**") in the coming months.

PNX shareholders will receive notice of the Scheme Meeting and a thorough explanatory statement of details of the proposed Scheme, the basis for the Independent PNX Directors' recommendation and the Independent Expert's report ("**Scheme Booklet**") in advance of the Scheme Meeting.

A detailed timetable for the Scheme will be included in the Scheme Booklet.

## MEETING OF KIN SHAREHOLDERS

KIN shareholders do not need to take any action at this time.

As a result of Delphi's substantial shareholding in both KIN and PNX, KIN will convene a General Meeting ("**KIN General Meeting**") at which it will seek KIN shareholder approval for the acquisition of Delphi's shares in PNX pursuant to the terms of the Scheme, for the purposes of ASX Listing Rule 10.1.

The KIN General Meeting is expected to be held immediately before the Scheme Meeting.

KIN shareholders will receive notice of the KIN General Meeting and a thorough explanation of the proposed Scheme, the basis of the Independent KIN Directors' recommendation and an Independent Expert's Report in advance of the General Meeting.

The Scheme is conditional on the receipt of this KIN shareholder approval.

<sup>11</sup> You should note when considering this recommendation that:

- Graham Ascough (Non-Executive Chairman) and his associates have an interest in 21,498,192 fully paid ordinary shares.
- James Fox (Technical Director) and his associates have an interest in 12,000,000 fully paid ordinary shares and 30,800,000 performance rights (which, subject to the Scheme becoming Effective, are expected to be cancelled in consideration for \$60,025, based on an independent valuation procured by KIN).

Despite the Independent PNX Directors' personal interests in the outcome of the Scheme, each Independent PNX Director considers that, given the importance of the Scheme and their obligations as directors of PNX, it is important and appropriate for them to provide a recommendation to PNX shareholders in relation to the Scheme. These arrangements and the amounts payable on implementation of the Scheme to each of the directors, will be described in more details in the Scheme Booklet.

<sup>12</sup> Assumes 474,590,037 PNX shares are issued with regards the Silver Streaming Agreements and includes the 115,000,000 PNX shares issued on 12 April 2024.

## INTERIM FUNDING ARRANGEMENTS

PNX and KIN have entered into an unsecured term loan agreement pursuant to which KIN has agreed to provide PNX with up to A\$1.5 million to assist with PNX's transaction costs and working capital during the transaction implementation.

The material terms of the interim funding arrangements are as follows:

- Draw-down: The A\$1,500,000 is to be provided in tranches over the term of the transaction, with the first tranche of A\$500,000 being payable within 5 business days of the date of the agreement.
- The draw-downs are subject to usual conditions for a loan of this sort, including:
  - The SID not having been terminated;
  - No change of control event occurring in respect of PNX; and
  - No event of default having occurred in respect of PNX.
- Repayment: The earlier to occur of:
  - 9 months after the date of drawdown date;
  - 45 days after PNX receives of a demand from KIN in the event of a change of control event occurring or following an unremedied event of default; or
  - 120 days after the termination of the SID.
- Security: The loan is unsecured, but subject to normal commercial terms.

Further detail on the interim funding arrangement, including the term and repayment terms, will be included in the Scheme Booklet provided to PNX shareholders.

## INDICATIVE TIMETABLE

An indicative timeline is set out below. A definitive timetable will be provided in the Scheme Booklet to be made available to PNX shareholders, and Notice of General Meeting to be made available to KIN shareholders.

Event	Date
First Court hearing	Early July 2024
KIN to dispatch Notice of General Meeting to its shareholders PNX to dispatch Scheme Booklet to its shareholders	Mid July 2024
General Meeting of KIN shareholders Scheme Meeting of PNX shareholders	Mid August 2024
Second Court hearing	Mid August 2024
Effective Date	Mid August 2024
Implementation Date	Late August 2024

## ADVISORS TO TRANSACTION

Taylor Collison is acting as corporate advisor and Piper Alderman as legal advisor to PNX.

Hamilton Locke is acting as legal advisor to KIN.

This announcement is authorised for release by the respective Boards of Kin Mining NL and PNX Metals Limited.

### For further information, please contact:

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### **About Kin Mining NL**

Kin Mining NL (ASX: KIN) is a West Australian based gold development and exploration company. Kin's key focus is its 100% owned Cardinia Gold Project (CGP) located in the highly prospective North-Eastern Goldfields region of Western Australia. The CGP has a 0.9Moz gold Mineral Resource defined in both oxide and deeper primary mineralisation with considerable potential to grow this resource with further drilling.

Kin's exploration effort is the systematic program of exploration across the Cardinia Mining Centre that seeks to advance a number of targets in parallel while developing a pipeline of exploration targets for ongoing Mineral Resource expansion.

### **About PNX Metals Limited**

PNX Metals Ltd (ASX: PNX) is a minerals exploration company that holds significant mineral resources containing 0.5Moz gold, 16.2Moz silver and 177,000t zinc, at its 100% owned Hayes Creek zinc-gold-silver, and Fountain Head gold projects, both located in the Pine Creek region of the Northern Territory.

PNX owns the Thunderball Uranium deposit where very high-grade uranium results were reported from the Lower Lode, including; 15.0 m @ 1.35% U3O8 from 210.0 m in RHCCD005 including: 1.5 m @ 10.2% U3O8 from 215.0 m (refer PNX ASX release 8 February).

The Company has also been progressing development studies at its Fountain Head gold project, and in 2023 received Environmental approvals, with mining approvals expected to be granted imminently.

Recent regional exploration has also been successful and uncovered high-grade gold at surface at multiple targets, with the potential to host economically significant gold mineralisation within prospective kilometre-scale gold corridors across its Northern Burnside exploration Leases (refer ASX release 13 February 2023). The Northern Burnside Leases are located approximately 100 km south of Darwin, and 30 km NW of Fountain Head.

### **Important Information**

#### **KIN Competent Person Statement**

This Announcement contains references to KIN's Mineral Resource estimates, which have been extracted from the ASX announcement titled "*Cardinia Project Gold Mineral Resource Passes 1.5 Moz*" dated 3 July 2023. KIN confirms that it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

The information contained in this report relating to exploration results relates to information compiled or reviewed by Leah Moore. Ms Moore is a member of the Australian Institute of Geoscientists and is a full time employee of the company. Ms Moore has sufficient experience of relevance to the styles of mineralisation and the types of deposit under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Ms Moore consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

#### **PNX Competent Person Statement**

This Announcement contains references to PNX's Mineral Resource estimates, which have been extracted from the ASX announcement titled "*Annual Report 30 June 2023*". PNX confirms that it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

The information in this report that relates to exploration data from PNX is based on information compiled by Dr Michael Green, who is a full-time employee and shareholder of PNX Metals Ltd. Dr Green is a Member of the Australian Institute of Geoscientists (AIG No: 4360) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Green consents to the inclusion of this information in the form and context in which it occurs.

## Annexure A – KIN Mineral Resources Table

### Table A1 - Mineral Resource Estimate Table September 2023<sup>1</sup>

Project Area	Resource Gold Price (AUD)	Lower Cut off (g/t Au)	Cardinia East and Mertonale: Mineral Resources: September 2023												Date Announced
			Measured			Indicated			Inferred			Total Resources			
			Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	
<b>Mertonale</b>															
Mertons Reward	\$ 2,600	0.4				0.9	2.1	62	2.0	0.6	41	2.9	1.11	103	26-Nov-20
Mertonale 3-4	\$ 2,600	0.4				1.3	1.8	80	1.0	1.0	32	2.4	1.46	112	26-Nov-20
Tonto	\$ 2,600	0.4				1.9	1.1	68	1.1	1.2	45	3.0	1.17	113	26-Nov-20
Mertonale 5	\$ 2,600	0.4				0.5	1.6	27	0.9	1.2	34	1.4	1.35	62	26-Nov-20
Eclipse	\$ 2,600	0.4							0.8	1.0	24	0.8	0.97	24	26-Nov-20
Quicksilver	\$ 2,600	0.4							1.2	1.1	42	1.2	1.08	42	26-Nov-20
Mertonale Underground		2.0				0.0	2.4	1	0.0	2.7	1	0.0	2.55	1	18-Oct-22
Subtotal Mertonale						4.6	1.6	237	7.0	1.0	220	11.7	1.22	457	
<b>Cardinia East</b>															
Helens	\$ 2,600	0.4				1.4	1.5	64	1.3	1.4	57	2.7	1.41	121	26-Jun-23
Helens East	\$ 2,600	0.4				0.4	1.7	24	1.0	1.5	46	1.4	1.57	70	26-Jun-23
Fiona	\$ 2,600	0.4				0.2	1.3	10	0.1	1.1	3	0.3	1.25	13	26-Jun-23
Rangoon	\$ 2,600	0.4				1.3	1.3	56	1.5	1.3	65	2.8	1.32	121	26-Jun-23
Hobby	\$ 2,600	0.4				0.0	0.0	0	0.6	1.3	23	0.6	1.26	23	17-May-21
Cardinia Hill	\$ 2,600	0.4				0.5	2.2	38	1.6	1.1	59	2.2	1.38	97	26-Jun-23
Cardinia Underground		2.0	0.002	3.0	0.2	0.0	2.6	1	0.4	2.4	29	0.4	2.41	29	18-Oct-22
Subtotal Cardinia East			0.002	3.0	0.2	3.9	1.5	193	6.4	1.4	282	10.4	1.42	475	
<b>TOTAL</b>			<b>0.002</b>	<b>2.97</b>	<b>0.2</b>	<b>8.6</b>	<b>1.56</b>	<b>430</b>	<b>13.5</b>	<b>1.16</b>	<b>501</b>	<b>22.1</b>	<b>1.31</b>	<b>932</b>	

**Table A1:** Cardinia Gold project Mineral Resource estimate. Mineral Resources estimated by Jamie Logan and reported in accordance with JORC 2012 using a 0.4 g/t Au cut-off within AUD2,600 optimisation shells. Underground Resources are reported using a 2.0 g/t cut-off grade outside AUD2,600 optimisation shells. Note \*Cardinia Hill and Hobby Resource Estimates completed by Cube Consulting, and also reported in accordance with JORC 2012 using a 0.4 g/t Au cut-off within AUD2,600 optimisation shells.

<sup>1</sup>The company confirms that it is not aware of any new information or data that materially affects the information included in the ASX Announcement of 3 July 2023 "Cardinia Gold Project Mineral Resource Passes 1.5Moz..", and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.



## Annexure B – PNX Mineral Resources Table

### NORTHERN TERRITORY

#### HAYES CREEK MINERAL RESOURCES

**Table 1** Iron Blow Mineral Resources by JORC Classification as at 3 May 2017

JORC CLASSIFICATION	LODE	AuEq CUT-OFF (g/t)	TONNAGE (kt)	ZN (%)	PB (%)	CU (%)	AG (g/t)	AU (g/t)	ZnEq (%)	AuEq (g/t)
Indicated	East Lode	1.0	800	7.64	1.83	0.30	275	2.90	20.64	15.53
	West Lode	1.0	1,280	4.14	0.33	0.31	60	1.73	8.84	6.66
<b>Total Indicated</b>			2,080	5.49	0.91	0.30	143	2.19	13.39	10.08
Inferred	East Lode	1.0	20	0.48	0.34	0.16	132	6.01	13.65	9.43
	West Lode	1.0	20	0.76	0.96	0.13	109	1.02	5.90	4.44
	FW Gold	1.0	210	0.25	0.07	0.03	16	2.03	3.48	2.62
	HW Gold	1.0	40	0.06	0.09	0.01	6	1.68	2.57	1.94
	Interlude Gold	1.0	40	0.21	0.03	0.07	8	1.66	2.79	2.10
	Interlude Base Metal	1.0	120	3.52	0.32	0.14	35	0.69	5.87	4.42
	<b>Total Inferred</b>			450	1.11	0.18	0.07	27	1.71	4.38
<b>Total Indicated + Inferred Mineral Resource</b>			2,530	4.71	0.78	0.26	122	2.10	11.79	8.87
<b>Total Contained Metal (t)</b>				119,200	19,700	6,650	9.9Moz	170.9koz	298,000t	721.5koz

**Table 2** Mt Bonnie Mineral Resources by JORC Classification as at 8 February 2017

JORC CLASSIFICATION	DOMAIN	CUT-OFF GRADE	TONNAGE (kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	ZnEq (%)	AuEq (g/t)
Indicated	Oxide/Transitional	0.5g/t Au	195	0.94	2.43	0.18	171	3.80	11.50	9.44
Indicated	Fresh	1% Zn	1,180	4.46	0.94	0.23	121	1.02	9.60	7.88
<b>Total Indicated</b>			1,375	3.96	1.15	0.23	128	1.41	9.87	8.11
Inferred	Oxide/Transitional	0.5g/t Au	32	0.43	1.33	0.29	74	2.28	6.37	5.23
Inferred	Fresh	1% Zn	118	2.91	0.90	0.15	135	0.54	7.61	6.25
Inferred	Ag Zone	50g/t Ag	21	0.17	0.03	0.04	87	0.04	2.36	1.94
<b>Total Inferred</b>			171	2.11	0.87	0.16	118	0.80	6.73	5.53
<b>Total Indicated + Inferred Mineral Resource</b>			1,545	3.76	1.12	0.22	127	1.34	9.53	7.82
<b>Total Contained Metal (t)</b>				58,000	17,300	3,400	6.3Moz	66.8koz	147,000t	388.5koz

**Table 3** Total Hayes Creek Mineral Resources (Iron Blow + Mt Bonnie) by JORC Classification at 3 May 2017

JORC CLASSIFICATION	TONNAGE (kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	ZnEq (%)	AuEq (g/t)
Total Indicated (84.7%)	3,455	4.88	1.01	0.27	137	1.88	11.99	9.29
Total Inferred (15.3%)	622	1.39	0.37	0.10	52	1.46	5.03	3.91
Total Indicated + Inferred Mineral Resource	4,077	4.35	0.91	0.25	124	1.81	10.93	8.47
<b>Total Contained Metal (t)</b>		177,200	37,000	10,050	16.2Moz	237.7koz	445,000t	1,110koz

**Table 4** Commodity price and metal recovery assumptions.

METALS	UNIT	PRICE	RECOVERY MT BONNIE	RECOVERY IRON BLOW
Zn	USD / t	2,450	80%	80%
Pb	USD / t	2,100	60%	60%
Cu	USD / t	6,200	60%	60%
Ag	USD / troy ounce	20.50	70%	80%
Au	USD / troy ounce	1,350	55%	60%

\* Consensus prices as at the time of the resources estimates.

**Notes relating to Hayes Creek Project Resource Tables**

- Due to effects of rounding, the total may not represent the sum of all components. No material changes in the estimates of the Mineral Resources at Mt Bonnie and Iron Blow have occurred since they were originally reported.
- Metallurgical recoveries and metal prices (Table 4) have been applied in calculating zinc equivalent (ZnEq) and gold equivalent (AuEq) grades.
- Iron Blow – A mineralisation envelope was interpreted for each of the two main lodes, the East Lode (Zn-Au-Ag-Pb) and West Lode (Zn-Au), and four subsidiary lodes with a 1 g/t AuEq cut-off used to interpret and report these lodes.
- Mt Bonnie – Zinc domains are reported above a cut-off grade of 1% zinc, gold domains are reported above a cut-off grade of 0.5 g/t gold and silver domains are reported above a cut-off grade of 50 g/t silver.

**FOUNTAIN HEAD MINERAL RESOURCES**

**Table 5** Fountain Head and Tally Ho updated Mineral Resources by JORC Classification as at 16 June 2020.

JORC CLASSIFICATION	TONNAGE (Mt)	Au (g/t)	OUNCES (koz)
<b>Tally Ho</b>			
Indicated	0.94	2.0	59
Inferred	–	–	–
<b>Total</b>	<b>0.94</b>	<b>2.0</b>	<b>59</b>
<b>Fountain Head</b>			
Indicated	0.89	1.4	41
Inferred	1.11	1.6	56
<b>Total</b>	<b>2.00</b>	<b>1.5</b>	<b>96</b>
<b>Combined</b>			
Indicated	1.83	1.7	100
Inferred	1.11	1.6	56
<b>Total</b>	<b>2.94</b>	<b>1.7</b>	<b>156</b>

**Notes relating to Fountain Head Mineral Resources**

- Due to effects of rounding, the total may not represent the sum of all components.
- The updated estimate of the Mineral Resources at the Fountain Head and Tally Ho deposits was reported during June 2020 (refer to ASX Release dated 16 June 2020). An initial Mineral Resources Estimate was reported on 11 July 2019.
- Fountain Head and Tally Ho gold mineralisation reported utilising a cut-off grade of 0.7 g/t gold, which is consistent with the assumed open cut mining method.

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## GLENCOE MINERAL RESOURCES

**Table 6** *Glencoe Mineral Resources by JORC Classification as at 29 August 2022.*

ZONE	MEASURED		INDICATED		INFERRED		TOTAL		
	TONNES	Au (g/t)	TONNES	AU (g/t)	TONNES	AU (g/t)	TONNES	AU (g/t)	AU OUNCES
Oxide	14,000	1.18	86,000	1.04	40,000	1.23	140,000	1.11	5,000
Transitional	144,000	1.25	449,000	1.28	107,000	1.18	700,000	1.26	28,300
Fresh	269,000	1.36	649,000	1.04	324,000	1.17	1,242,000	1.14	45,700
<b>Total</b>	<b>427,000</b>	<b>1.32</b>	<b>1,184,000</b>	<b>1.13</b>	<b>471,000</b>	<b>1.18</b>	<b>2,082,000</b>	<b>1.18</b>	<b>79,000</b>

### Notes relating to Glencoe Mineral Resources

- Due to effects of rounding, the total may not represent the sum of all components.
- Glencoe Mineral Resources by oxidation zone and JORC classification as at 29 August 2022 (refer to ASX Release dated 30 August 2022).
- Glencoe gold mineralisation estimated using a cut-off grade of 0.7 g/t gold, which is consistent with the assumed open-cut mining method.
- Classification of Mineral Resources incorporates the terms and definitions from the JORC Code.
- The cut-off grade of 0.7 g/t gold is equal with that used for the Fountain Head and Tally Ho Mineral Resource Estimates.

## MT PORTER MINERAL RESOURCES

**Table 7** *Mt Porter Mineral Resources by JORC Classification as at 28 June 2022.*

TYPE	INDICATED		INFERRED		TOTAL		
	TONNES (t)	AU (g/t)	TONNES (t)	AU (g/t)	TONNES (t)	AU (g/t)	AU (oz)
Oxide / Transitional	70,000	1.9	7,300	2.4	77,200	2.0	4,900
Fresh	478,000	2.3	125,000	1.8	603,000	2.2	43,200
<b>Total</b>	<b>548,000</b>	<b>2.3</b>	<b>133,000</b>	<b>1.9</b>	<b>681,000</b>	<b>2.2</b>	<b>48,200</b>

### Notes relating to Mt Porter Mineral Resources

- Due to the effects of rounding, totals may not represent the sum of all components.
- Classification of Mineral Resources incorporates the terms and definitions from the JORC Code.
- Mt Porter gold mineralisation estimated using a cut-off grade of >1.0 g/t Au, which is consistent with the assumed open-cut mining method.
- Mt Porter Mineral Resources by oxidation zone and JORC classification as at 28 June 2022 (refer to ASX Release dated 28 September 2022).

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## PNX TOTAL MINERAL RESOURCES

### Total Mineral Resources (Iron Blow + Mt Bonnie + Fountain Head + Glencoe + Mt Porter) by JORC Classification

JORC CLASSIFICATION	TONNAGE (kt)	ZN (t)	PB (t)	Cu (t)	AG (Moz)	AU (koz)
Total Contained Metal (t)	9,780	177,200	37,000	10,050	16.2	520.9

The reported mineral resources for Iron Blow and Mt Bonnie were updated in May 2017 and February 2017 (refer to ASX Releases 3 May 2017 and 8 February 2017, respectively) and there have been no material changes in the estimated resources, underlying assumptions or technical parameters since then.

The reported mineral resources for Fountain Head and Tally Ho were updated on 16 June 2020 (refer to ASX Release dated 16 June 2020) and there have been no material changes in the estimated resources, underlying assumptions or technical parameters since then.

The reported mineral resources update for Glencoe were reported on 30 August 2022 (refer to ASX Release dated 30 August 2022) and there have been no material changes in the estimated resources, underlying assumptions or technical parameters since then.

The reported mineral resources for Mt Porter were reported on 28 September 2022 (refer to ASX Release dated 28 September 2022) and there have been no material changes in the estimated resources, underlying assumptions or technical parameters since then.

PNX utilises suitably qualified independent consultants to compile all new mineral resources estimates. These resource estimates and the underlying assumptions and interpretations are reviewed by PNX management, and in particular full-time employee and Exploration Manager with PNX Metals Limited, Dr Michael Green (a Competent Person), for reasonableness prior to being finalised.

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## **Scheme Implementation Deed**

between

**KIN Mining NL**  
ACN 150 597 541

and

**PNX Metals Limited**  
ACN 127 446 271

**EXECUTION VERSION**

**Sydney**

Australia Square  
Level 42  
264 George Street  
Sydney NSW 2000

**Melbourne**

Level 33  
360 Collins Street  
Melbourne VIC 3000

**Brisbane**

Riverside Centre  
Level 19  
123 Eagle Street  
Brisbane QLD 4000

**Perth**

Central Park  
Level 48  
152-158 St Georges Terrace  
Perth WA 6000

**Newcastle**

Level 3  
21 Bolton Street  
Newcastle NSW 2300

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Date: April 2024

## Parties

<b>KIN</b>	Name	<b>KIN Mining NL</b>
	ACN	150 597 541
	Address	342 Scarborough Beach Road Osborne Park WA 6017
	Email	<a href="mailto:n.anderson@kinmining.com.au">n.anderson@kinmining.com.au</a>
	Attention	Nicholas Anderson
<b>PNX</b>	Name	<b>PNX Metals Limited</b>
	ACN	127 446 271
	Address	Level 1, 135 Fullarton Road Rose Park SA 5067
	Email	<a href="mailto:graham.ascough@pnxmetals.com.au">graham.ascough@pnxmetals.com.au</a>
	Attention	Graham Ascough

## Background

- A. KIN proposes to acquire all the fully paid ordinary shares in PNX by way of a scheme of arrangement under Part 5.1 of the Corporations Act between PNX and Scheme Participants.
- B. The parties have agreed to implement the Scheme on the terms and conditions of this Deed.

## Operative provisions

### 1. Definitions and interpretation clauses

#### 1.1 Definitions

In this Deed, the following definitions apply:

**Announcement** means the public announcement referred to in clause 8.1.

**ASIC** means the Australian Securities and Investments Commission.

**ASIC Regulatory Guides** means the various regulatory guides issued by ASIC.

**Associate** has the meaning given to that term in the Corporations Act.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context requires, the financial market that it operates.

**Business Day** means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and ASX are open for trading.

**Competing Proposal** means any proposal, agreement, arrangement or transaction pursuant to which a Third Party (either alone or together with any Associates) will, if entered into or completed:

- (a) acquire a Relevant Interest in, become the holder of, or otherwise have a right to acquire a legal, beneficial or economic interest in 20% or more of the share capital of any member of the PNX Group or the KIN Group (as applicable);
- (b) acquire (whether directly or indirectly) or become the holder of, or otherwise acquire or have a right to acquire, a legal, beneficial or economic interest in, or control of, all or a material part of the business of the PNX Group or the KIN Group (as applicable);
- (c) acquire Control of any member of the PNX Group or the KIN Group (as applicable);
- (d) otherwise acquire or merge with any member of the PNX Group or the KIN Group (as applicable); or
- (e) require PNX or KIN to abandon, or otherwise fail to proceed with, the Scheme,

whether by way of takeover bid, shareholder approved acquisition, members' or creditors' scheme of arrangement, capital reduction, share buy-back or repurchase, sale of assets, sale or purchase of securities or assets, assignment of assets and liabilities, strategic alliance, dual listed company structure or joint venture or synthetic merger, deed of company arrangement, any debt for equity arrangement or other transaction or arrangement.

Notwithstanding the above, the acquisition of a Relevant Interest in PNX Shares or KIN Shares by any of the following entities or their Associates in accordance with item 9 of section 611 of the Corporations Act will not constitute a Competing Proposal: 2invest AG, DELPHI Unternehmensberatung Aktiengesellschaft, Deutsche Balaton Aktiengesellschaft, Germany Sparta AG, Hansjoerg Plaggemars, KiCo Invest GmbH, VV Beteiligungen Aktiengesellschaft, and Wilhelm K.T. Zours.

**Confidentiality Deed** means the confidentiality deed between the parties dated 16 February 2024.

**Control** has the meaning given to that term in section 50AA of the Corporations Act.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Corporations Regulations** means the *Corporations Regulations 2001* (Cth).

**Counter Proposal** has the meaning given to that term in clause 9.6(c).

**Court** means the Supreme Court of Western Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by KIN and PNX.

**Deed** means this document including any schedule or annexure.

**Deed Poll** means a deed poll substantially in the form of Schedule 2 under which KIN covenants in favour of the Scheme Participants to perform the obligations attributed to KIN under the Scheme.

**Effective** means when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

**Effective Date** means the date on which the Scheme becomes Effective.



**End Date** means the date that is nine months after the date of this Deed or such other date as the parties may agree in writing.

**Excluded Shareholder** means any PNX Shareholder who is a member of the KIN Group or any PNX Shareholder who holds any PNX Shares on behalf of, or for the benefit of, any member of the KIN Group.

**Exclusivity Period** means the period from and including the date of this Deed to the earlier of:

- (a) the termination of this Deed;
- (b) the Effective Date; and
- (c) the End Date.

**Execution Date** means the date of this Deed.

**Fairly Disclosed** means disclosed to KIN or PNX or any of their respective Representatives (as applicable), to a sufficient extent, and in sufficient detail, so as to enable a reasonable and sophisticated party experienced in transactions similar to the Transaction and experienced in a business similar to any business conducted by the party, to identify the nature and scope of the relevant matter, event or circumstance (including, in each case, that the potential financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed).

**FATA** means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

**FIRB** means the Australian Foreign Investment Review Board.

**First Court Date** means the first day of the hearing by the Court for an order under section 411(1) of the Corporations Act convening the Scheme Meeting or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

**Government Agency** means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

**Group** means:

- (a) the KIN Group; or
- (b) the PNX Group,

as the context requires, and **Group Member** means a member of the relevant Group.

**Headcount Test** means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme at the Scheme Meeting is passed by a majority in number of PNX Shareholders present and voting, either in person or by proxy.

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**Implementation Committee** means a committee to be made up of:

- (a) [REDACTED] and [REDACTED] on behalf of KIN (or such other personnel as may be nominated by KIN from time to time); and
- (b) [REDACTED] and [REDACTED] on behalf of PNX (or such other personnel as may be nominated by PNX from time to time).

**Implementation Date** means the fifth Business Day following the Scheme Record Date, or such other date agreed to in writing by the parties.

**Independent Expert** means the independent expert in respect of the Scheme appointed by PNX.

**Independent Expert's Report** means the report to be issued by the Independent Expert for inclusion in the Scheme Booklet, including any update or supplementary report, which states the Independent Expert's opinion in relation to whether the Scheme is in the best interest of PNX Shareholders and the reasons for holding that opinion.

**Ineligible Foreign Shareholder** means a PNX Shareholder whose address as shown in PNX's members' register is located in a place which KIN reasonably determines is a place that it is unlawful, unduly onerous or impracticable to issue KIN Shares under the Scheme, provided that a PNX Shareholder whose address shown in PNX's members' register is within Australia, New Zealand, Germany, France, Switzerland, Luxembourg, the Republic of Panama, the Republic of Singapore, the Virgin Islands, United Arab Emirates and such other jurisdictions as agreed by the parties in writing, will not be an Ineligible Foreign Shareholder.

**KIN Board** means the board of directors of KIN from time to time.

**KIN Data Room** means the data room made available by KIN to PNX accessible through [REDACTED] as at 9:00am on the date two Business Days prior to the Execution Date.

**KIN Diligence Materials** means the information in relation to the KIN Group Fairly Disclosed in writing by or on behalf of KIN to PNX and its Representatives prior to the Execution Date in the KIN Data Room.

**KIN Director** means any or all of the directors of KIN from time to time, as the context requires.

**KIN Financial Statements** means the:

- (a) the reviewed consolidated statement of financial position, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of KIN for the half year ended 31 December 2023; and
- (b) audited consolidated statement of financial position, the audited consolidated statement of profit or loss and other comprehensive income, the audited consolidated statement of changes in equity and the audited consolidated statement of cash flows of KIN for the financial year ended 30 June 2023,

together with the accompanying notes.

**KIN Group** means KIN and each of its Subsidiaries, and a reference to a 'KIN Group Member' or a 'member of the KIN Group' is to KIN or any of its Subsidiaries.

**KIN IBC** means the independent board committee of the KIN Board from time to time established to consider the Scheme and which comprises, at the date of this Deed, Guiseppe

(Joe) Paolo Graziano and Nicholas Anderson, and **KIN IBC Director** means any or all of the members of the KIN IBC, as the context requires.

**KIN Indemnified Party** means any member of the KIN Group, or any director, officer or employee of any member of the KIN Group, and **KIN Indemnified Parties** has a corresponding meaning.

**KIN Information** means the information relating to the KIN Group provided in writing by or on behalf of KIN to PNx:

- (a) for inclusion in the Scheme Booklet, being:
  - (i) any letter from the KIN IBC;
  - (ii) information about any applicable member of the KIN Group (including information about KIN's intentions for the KIN Group post acquisition of PNx pursuant to the Scheme), the businesses of KIN, KIN's interests and dealings in PNx Shares, KIN's intentions for PNx and PNx's employees and KIN's funding; and
  - (iii) any other information:
    - (A) required to be provided by KIN and included in the Scheme Booklet to enable the Scheme Booklet to be prepared and completed in compliance with all applicable laws; and
    - (B) that the parties agree is 'KIN Information' and that is identified as such in the Scheme Booklet; and
- (b) otherwise in compliance with KIN's obligations under clause 4.8(b),  
but excludes any PNx Information, the Independent Expert's Report or any information concerning or referable to PNx that is prepared or provided by or on behalf of PNx.

**KIN Insolvency Event** means:

- (a) a material member of the KIN Group resolving that it be wound up or the making of an application or order for the winding up or dissolution of that member other than where the application or order (as the case may be) is set aside within 14 days;
- (b) a liquidator or provisional liquidator of a material member of the KIN Group being appointed;
- (c) a court making an order for the winding up of a material member of the KIN Group;
- (d) an administrator of a material member of the KIN Group being appointed under the Corporations Act;
- (e) a material member of the KIN Group is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act or is otherwise presumed to be insolvent under the Corporations Act unless that member has, or has access to, committed financial support from its parent entity such that it is able to pay its debts;
- (f) a material member of the KIN Group executing a deed of company arrangement;
- (g) a receiver, or a receiver and manager, being appointed in relation to the whole, or a substantial part, of the property of a material member of the KIN Group; or

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- (h) an event analogous to any of the foregoing in any jurisdiction outside of Australia.

**KIN Material Adverse Change** means a change, event, fact, circumstance, occurrence or matter that occurs, is announced or becomes known to PNX or KIN (in each case whether or not it becomes public) after the execution of this Deed that:

- (a) is or would (either individually or when aggregated together with any other events, matters or circumstances of a similar type or nature) reasonably be expected to have the effect or result of diminishing the value of the consolidated net assets of the KIN Group taken as a whole by more than \$8.7 million;
- (b) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any KIN Tenement (other than planned relinquishment or abandonment); or
- (c) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a KIN Tenement to any person other than the holder(s) of that KIN Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that KIN Tenement;

but does not include any event, occurrence, change, condition, matter, circumstance or thing:

- (d) required or expressly permitted by the Transaction Documents;
- (e) done with the prior written consent of PNX (such consent not to be unreasonably withheld or delayed);
- (f) Fairly Disclosed in the KIN Diligence Materials;
- (g) Fairly Disclosed in public filings of KIN on ASX in the 12 months before the Execution Date;
- (h) arising as a result of any generally applicable change in law or governmental policy in any of the jurisdictions in which a KIN Group Member operates;
- (i) arising as a result of any geopolitical conditions, hostilities, civil or political unrest, any acts of war, sabotage, cyberattack or terrorism (including any outbreak, escalation or worsening of any of the foregoing);
- (j) arising from any epidemic, pandemic, lightning, storm, flood, fire, seismic event or explosion, cyclone, tidal wave, landslide, natural disaster or adverse weather conditions or the like; and
- (k) arising as a result of the execution, announcement or performance of the Transaction Documents in accordance with their terms.

**KIN Prescribed Event** means the occurrence of any of the following on or after the Execution Date and before 8.00am on the Second Court Date:

- (a) KIN converting all or any of its shares into a larger or smaller number of shares;
- (b) any member of the KIN Group (other than a direct or indirect wholly owned Subsidiary of KIN) resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) any member of the KIN Group (other than a direct or indirect wholly owned Subsidiary of KIN):

- For personal use only
- (i) entering into a buy-back agreement; or
  - (ii) resolving to approve the terms of a buy-back agreement;
- (d) any member of the KIN Group declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its shareholders (other than a direct or indirect wholly owned Subsidiary of KIN declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to KIN or to another direct or indirect wholly owned Subsidiary of KIN);
- (e) a member of the KIN Group issuing securities, including without limitation shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, including pursuant to a dividend reinvestment or other share plan, other than an issue of any shares or other securities:
- (i) to a directly or indirectly wholly-owned Subsidiary of KIN; or
  - (ii) as a result of the exercise of options over unissued KIN Shares, or the conversion or exercise of other rights to acquire KIN Shares, that are on issue as at the date of this Deed;
- (f) a member of the KIN Group issuing or agreeing to issue securities convertible into shares, including pursuant to a dividend reinvestment or other share plan;
- (g) KIN making any change to its constitution without the prior written approval of PNX, which may not be unreasonably withheld or delayed;
- (h) a member of the KIN Group granting a Security Interest, or agreeing to grant a Security Interest, in the whole, or a substantial part, of its business or property;
- (i) a member of the KIN Group entering into or resolving to enter into a transaction with a related entity of KIN (as defined in the Corporations Act, but excluding transactions between members of the KIN Group);
- (j) any member of the KIN Group settling or compromising a material dispute;
- (k) a KIN Insolvency Event occurs;
- (l) KIN ceases to be admitted to the official list of ASX or a Regulatory Authority issuing a temporary or permanent cease trading order prohibiting the trading in any class of securities of KIN that has not been lifted or remedied by 8.00am on the Second Court Date;
- (m) any member of the KIN Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs (a) to (l) above;
- (n) a member of the KIN Group incurs any financial indebtedness or issues any debt securities, other than in the ordinary course of business or pursuant to advances under its credit facilities in existence as at the date of this Deed where the funds drawn pursuant to those advances are used in the ordinary course of business;
- (o) a member of the KIN Group makes any loans, advances or capital contributions to, or investments in, any other person (other than to or in KIN or to another direct or indirect wholly owned Subsidiary of KIN in the ordinary course of business or to PNX including, for the avoidance of doubt, under the Loan Facility Agreement), other than in the ordinary course of business;



(p) a member of the KIN Group entering, varying or terminating any material contract, joint venture, partnership or other commitment which is material in the context of the business of the KIN Group as a whole, other than in the ordinary course of business;

(q) any member of the KIN Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs (n) to (p) (inclusive) above,

other than:

(r) in respect of the actions referred to in the paragraphs (a) to (m) (inclusive) above:

(i) required or expressly permitted by the Transaction Documents;

(i) reasonably required by law or by an order of a court or Regulatory Authority; or

(ii) approved by written consent of PNX (such consent not to be unreasonably withheld or delayed);

(s) in respect of the actions referred to in the paragraphs (n) to (q) (inclusive) above:

(i) Fairly Disclosed in the KIN Diligence Materials;

(ii) Fairly Disclosed in public filings of KIN on ASX in the 6 months before the Execution Date (excluding any risk factor disclosure and disclosure of risks in “forward looking statement” disclaimers that are predictive, forward-looking or primarily cautionary in nature);

(iii) reasonably required by law or by an order of a court or Regulatory Authority; and

(iv) approved by written consent of PNX (such consent not to be unreasonably withheld or delayed).

**KIN Representations and Warranties** means the representations and warranties of KIN in Schedule 6.

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

**KIN Shareholder** means a holder of a KIN Share.

**KIN Tenements** means the tenements comprising KIN’s projects, namely:

(a) the tenements set out in Schedule 3; and

(b) any other exploration or mining tenement(s) which may be granted in lieu of or relate to the same ground as the licences referred to in paragraph (a) above.

**Listing Rules** means the official listing rules of ASX.

**Loan Facility Agreement** means the loan facility agreement between the parties dated on or about the date of this Deed.

**PNX Board** means the board of directors of PNX from time to time.

**PNX Data Room** means the data room made available by PNX to KIN accessible through [REDACTED] as at 9:00am on the date two Business Days prior to the Execution Date.

**PNX Diligence Materials** means the information in relation to the PNX Group Fairly Disclosed in writing by or on behalf of PNX to KIN and its Representatives prior to the Execution Date in the PNX Data Room.

**PNX Director** means any or all of the directors of PNX from time to time, as the context requires.

**PNX Financial Statements** means the:

- (a) the reviewed consolidated statement of financial position, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of PNX for the half year ended 31 December 2023; and
- (b) audited consolidated statement of financial position, the audited consolidated statement of profit or loss and other comprehensive income, the audited consolidated statement of changes in equity and the audited consolidated statement of cash flows of PNX for the financial year ended 30 June 2023,

together with the accompanying notes.

**PNX Group** means PNX and each of its Subsidiaries, and a reference to a 'PNX Group Member' or a 'member of the PNX Group' is to PNX or any of its Subsidiaries.

**PNX IBC** means the independent board committee of the PNX Board from time to time established to consider the Scheme and which comprises, at the date of this Deed, Graham Ascough, James Fox and Hans-jörg Schmidt, and **PNX IBC Director** means any or all of the members of the PNX IBC, as the context requires.

**PNX Indemnified Party** means any member of the PNX Group, or any director, officer or employee of any member of the PNX Group, and **PNX Indemnified Parties** has a corresponding meaning.

**PNX Information** means all information included in the Scheme Booklet other than the KIN Information and the Independent Expert's Report.

**PNX Insolvency Event** means:

- (a) a material member of the PNX Group resolving that it be wound up or the making of an application or order for the winding up or dissolution of that member other than where the application or order (as the case may be) is set aside within 14 days;
- (b) a liquidator or provisional liquidator of a material member of the PNX Group being appointed;
- (c) a court making an order for the winding up of a material member of the PNX Group;
- (d) an administrator of a material member of the PNX Group being appointed under the Corporations Act;
- (e) a material member of the PNX Group is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act or is otherwise presumed to be insolvent under the Corporations Act unless that member has, or has access to, committed financial support from its parent entity such that it is able to pay its debts;
- (f) a material member of the PNX Group executing a deed of company arrangement;

- (g) a receiver, or a receiver and manager, being appointed in relation to the whole, or a substantial part, of the property of a material member of the PNX Group; or
- (h) an event analogous to any of the foregoing in any jurisdiction outside of Australia.

**PNX Material Adverse Change** means a change, event, fact, circumstance, occurrence or matter that occurs, is announced or becomes known to KIN or PNX (in each case whether or not it becomes public) after the execution of this Deed that:

- (a) is or would (either individually or when aggregated together with any other events, matters or circumstances of a similar type or nature) reasonably be expected to have the effect or result of diminishing the value of the consolidated net assets of the PNX Group taken as a whole by more than \$2.6 million;
- (b) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any PNX Tenement (other than planned relinquishment or abandonment); or
- (c) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a PNX Tenement to any person other than the holder(s) of that PNX Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that PNX Tenement;

but does not include any event, occurrence, change, condition, matter, circumstance or thing:

- (d) required or expressly permitted by the Transaction Documents;
- (e) done with the prior written consent of KIN (such consent not to be unreasonably withheld or delayed);
- (f) Fairly Disclosed in the PNX Diligence Materials;
- (g) Fairly Disclosed in public filings of PNX on ASX in the 12 months before the Execution Date;
- (h) arising as a result of any generally applicable change in law or governmental policy in any of the jurisdictions in which a PNX Group Member operates;
- (i) arising as a result of any geopolitical conditions, hostilities, civil or political unrest, any acts of war, sabotage, cyberattack or terrorism (including any outbreak, escalation or worsening of any of the foregoing);
- (j) arising from any epidemic, pandemic, lightning, storm, flood, fire, seismic event or explosion, cyclone, tidal wave, landslide, natural disaster or adverse weather conditions or the like; and
- (k) arising as a result of the execution, announcement or performance of the Transaction Documents in accordance with their terms.

**PNX Performance Right** means a right to be issued one PNX Share, subject to the terms of issue of that PNX performance right, as summarised in Schedule 5.

**PNX Prescribed Event** means the occurrence of any of the following on or after the Execution Date and before 8.00am on the Second Court Date:

- (a) PNX converting all or any of its shares into a larger or smaller number of shares;
- (b) any member of the PNX Group (other than a direct or indirect wholly owned Subsidiary of PNX) resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) any member of the PNX Group (other than a direct or indirect wholly owned Subsidiary of PNX):
  - (i) entering into a buy-back agreement; or
  - (ii) resolving to approve the terms of a buy-back agreement;
- (d) any member of the PNX Group declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its shareholders (other than a direct or indirect wholly owned Subsidiary of PNX declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to PNX or to another direct or indirect wholly owned Subsidiary of PNX);
- (e) a member of the PNX Group issuing securities, including without limitation shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, including pursuant to a dividend reinvestment or other share plan, other than an issue of any shares or other securities:
  - (i) to a directly or indirectly wholly-owned Subsidiary of PNX; or
  - (ii) as a result of the exercise of options over unissued PNX Shares, or the conversion or exercise of other rights to acquire PNX Shares, that are on issue as at the date of this Deed,  
  
other than as required pursuant to clause 4 of the Silver Streaming Agreements,
- (f) a member of the PNX Group issuing or agreeing to issue securities convertible into shares, including pursuant to a dividend reinvestment or other share plan;
- (g) PNX making any change to its constitution;
- (h) a member of the PNX Group granting a Security Interest, or agreeing to grant a Security Interest, in the whole, or a substantial part, of its business or property;
- (i) a member of the PNX Group entering into or resolving to enter into a transaction with a related entity of PNX (as defined in the Corporations Act, but excluding transactions between members of the PNX Group);
- (j) any member of the PNX Group settling or compromising a material dispute;
- (k) a PNX Insolvency Event occurs;
- (l) PNX ceases to be admitted to the official list of ASX or a Regulatory Authority issuing a temporary or permanent cease trading order prohibiting the trading in any class of securities of PNX that has not been lifted or remedied by 8.00am on the Second Court Date;

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- (m) any member of the PNX Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs (a) to (l) above;
  - (n) a member of the PNX Group incurs any financial indebtedness (excluding, for the avoidance of doubt, any drawdowns under the Loan Facility Agreement) or issues any debt securities, other than in the ordinary course of business or pursuant to advances under its credit facilities in existence as at the date of this Deed where the funds drawn pursuant to those advances are used in the ordinary course of business;
  - (o) a member of the PNX Group makes any loans, advances or capital contributions to, or investments in, any other person (other than to or in PNX or to another direct or indirect wholly owned Subsidiary of PNX in the ordinary course of business or to KIN), other than in the ordinary course of business;
  - (p) a member of the PNX Group entering, varying or terminating any material contract, joint venture, partnership or other commitment which is material in the context of the business of the PNX Group as a whole, other than in the ordinary course of business;
  - (q) any member of the PNX Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs (n) to (p) (inclusive) above,

other than:

- (r) in respect of the actions referred to in the paragraphs (a) to (m) (inclusive) above:
  - (i) required or expressly permitted by the Transaction Documents;
  - (ii) reasonably required by law or by an order of a court or Regulatory Authority; or
  - (iii) approved by written consent of KIN (such consent not to be unreasonably withheld or delayed).
- (s) in respect of the actions referred to in the paragraphs (n) to (q) (inclusive) above:
  - (i) Fairly Disclosed in the PNX Diligence Materials;
  - (ii) Fairly Disclosed in public filings of PNX on ASX in the 6 months before the Execution Date (excluding any risk factor disclosure and disclosure of risks in “forward looking statement” disclaimers that are predictive, forward-looking or primarily cautionary in nature);
  - (iii) reasonably required by law or by an order of a court or Regulatory Authority; or
  - (iv) approved by written consent of KIN (such consent not to be unreasonably withheld or delayed).

**PNX Registry** means Computershare Investor Services Pty Limited (ACN 078 279 277).

**PNX Representations and Warranties** means the representations and warranties of PNX in Schedule 7.

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

**PNX Share Register** means the register of members of PNX maintained in accordance with the Corporations Act.

**PNX Shareholder** means a holder of a PNX Share.

**PNX Tenements** means the tenements comprising PNX's projects, namely:

- (a) the tenements set out in Schedule 3; and
- (b) any other exploration or mining tenement(s) which may be granted in lieu of or relate to the same ground as the tenements referred to in paragraph (a) above.

**Regulator's Draft** means the draft of the Scheme Booklet in a form which is provided to ASIC for approval pursuant to section 411(2) of the Corporations Act.

**Regulatory Approvals** means:

- (a) any approval, consent, authorisation, registration, filing, lodgement, permit, agreement, notarisation, certificate, permission, licence, direction, declaration, authority, waiver or exemption from by or with a Government Agency; or
- (b) in relation to anything that would be fully or partly prohibited or restricted by law if a Government Agency intervened or acted in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

**Regulatory Authority** includes:

- (a) a government or governmental, semi-governmental, administrative, fiscal, tax or judicial entity or authority;
- (b) a minister, department, office, commission, delegate, instrumentality, tribunal, agency, board, authority or organisation of any government;
- (c) any regulatory organisation established under statute;
- (d) any applicable securities commission or stock or securities exchange;
- (e) in particular, ASX, ASIC, the Australian Foreign Investment Review Board and the Takeovers Panel; and
- (f) any authorised representative of any of the above.

**Reimbursement Fee** means \$325,000.

**Relevant Interest** has the meaning given to that term in sections 608 and 609 of the Corporations Act.

**Relevant Notice** has the meaning given to that term in clause 9.6(b)(ii).

**Representative** means in respect of a party or its Subsidiaries, each director, officer, employee, advisor, agent or representative of that party or Subsidiary, as applicable.

**RG 60** means Regulatory Guide 60 issued by ASIC relating to schemes of arrangement in September 2020.

**Sale Agent** means a person appointed by KIN to sell the KIN Shares that would otherwise be issued to or for the benefit of Ineligible Foreign Shareholders under the terms of the Scheme.

**Scheme or Scheme of Arrangement** means the scheme of arrangement under Part 5.1 of the Corporations Act between PNX and the Scheme Participants, substantially in the form of Schedule 1, under which Scheme Participants will receive the Scheme Consideration, subject

to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by KIN and PNX

**Scheme Booklet** means the information to be approved by the Court and despatched to PNX Shareholders in relation to the Scheme, including an explanatory statement in relation to the Scheme complying with the requirements of the Corporations Act, the Corporations Regulations and RG 60, the Independent Expert's Report, notice of meeting and proxy form.

**Scheme Conditions** means each of the conditions set out in clause 3.1.

**Scheme Consideration** means the consideration to be provided by KIN to each Scheme Participant for the transfer to KIN of each PNX Share, being one (1) KIN Share for every thirteen (13) PNX Shares held by a Scheme Participant as at the Scheme Record Date.

**Scheme Meeting** means the meeting of PNX Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting. If a meeting of more than one class of PNX Shareholders is ordered by the Court, all references to "Scheme Meeting" will be interpreted as a reference to each or all of those meetings.

**Scheme Participant** means a holder of PNX Shares recorded in the PNX Share Register as at the Scheme Record Date (other than an Excluded Shareholder).

**Scheme Record Date** means 5:00pm on the second Business Day after the Effective Date, or such other time and date as the parties agree in writing.

**Scheme Shares** means all PNX Shares held by the Scheme Participants as at the Scheme Record Date.

**Second Court Date** means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme (as the context requires) is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.

**Security Interest** has the meaning given to that term in section 9 of the Corporations Act.

**Silver Streaming Agreements** means each of the following:

- (a) the silver streaming and royalty agreement between PNX and Potezna Gromadka Ltd. dated on or about 7 June 2016 (as amended and restated on or about March 2020); and
- (b) the silver streaming and royalty agreement between PNX and Societe Civile ESA dated on or about 7 June 2016 (as amended and restated on or about March 2020).

**Subsidiary** has the meaning given to that term in Division 6 of Part 1.2 of the Corporations Act, and **Subsidiaries** has a corresponding meaning.

**Superior Proposal** means a bona fide Competing Proposal (and not resulting from a breach of obligations under this Deed including, without limitation, clause 9), which the KIN IBC or the PNX IBC (as applicable), acting in good faith, and after taking written advice from its legal and (if applicable) financial advisors, determines:

- (a) is reasonably capable of being valued and completed in a timely basis, taking into account all aspects of the Competing Proposal and the person making it, including without limitation having regard to legal, regulatory and financial matters and any conditions precedents; and

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- (b) would, if completed substantially in accordance with its terms, be more favourable to its shareholders (as a whole) than the Transaction taking into account all terms and conditions of the Competing Proposal.

**Takeovers Panel** means the Australian Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

**Third Party** means a person other than:

- (a) KIN or any of its Associates; and  
(b) PNX or any of its Associates,

as the context requires.

**Timetable** means the indicative timetable for the implementation of the Transaction set out in Schedule 4.

**Trading Day** means a day on which ASX is open for trading.

**Transaction** means the acquisition by KIN of all of the Scheme Shares by means of the Scheme in accordance with the terms of this Deed.

**Transaction Documents** means:

- (a) this Deed;  
(b) the Scheme;  
(c) the Deed Poll;  
(d) the Loan Facility Agreement; and  
(e) any other document agreed in writing by KIN and PNX to be a Transaction Document.

**Treasurer** means the Treasurer of the Australian Commonwealth Government.

## 1.2 Interpretation

In this Deed, headings are for convenience only and do not affect interpretation and, unless the context requires otherwise:

- (a) words importing the singular include the plural and vice versa;  
(b) words importing a gender include any gender;  
(c) other parts of speech and grammatical forms of a word or phrase defined in this Deed have a corresponding meaning;  
(d) a reference to a person includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture, a partnership, a trust and any Government Agency;  
(e) a reference to a clause, party, attachment, exhibit or schedule is a reference to a clause of, and a party, attachment, exhibit and schedule to this Deed, and a reference to this Deed includes any attachment, exhibit and schedule;  
(f) a reference to a statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances or bylaws amending, consolidating or

replacing it, whether passed by the same or another Government Agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;

- (g) a reference to any document (including this Deed) is to that document as varied, novated, ratified or replaced from time to time;
- (h) the word 'includes' in any form is not a word of limitation;
- (i) a reference to '\$', 'A\$' or 'dollar' is to the lawful currency of Australia;
- (j) a reference to any time is to the time in Perth, Western Australia;
- (k) a term defined in or for the purposes of the Corporations Act has the same meaning when used in this Deed;
- (l) a reference to a "material member" of either the KIN Group or the PNX Group is to a member of the respective group that is material in the context of KIN and its Subsidiaries taken as a whole, or PNX and its Subsidiaries taken as a whole, as the case may be;
- (m) a reference to the Listing Rules includes any variation, consolidation or replacement of those rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party; and
- (n) a reference to a party using or an obligation on a party to use reasonable endeavours or best endeavours does not oblige that party to:
  - (i) pay money:
    - (A) in the form of an inducement or consideration to a third party to procure something (other than the payment of immaterial expenses or costs, including costs of advisers, to procure the relevant thing); or
    - (B) in circumstances that are commercially onerous or unreasonable in the context of this Deed;
  - (ii) provide other valuable consideration to or for the benefit of any person; or
  - (iii) agree to commercially onerous or unreasonable conditions.

### 1.3 Knowledge

- (a) Where this Deed makes reference to the knowledge, belief or awareness of KIN, or any similar reference, such knowledge, belief or awareness will be taken to mean the actual knowledge, belief and awareness of the KIN Directors and the KIN Company Secretary (from time to time), and includes the knowledge, belief or awareness of such persons had that person made reasonable inquiries of those persons who might reasonably be expected to have such knowledge, belief or awareness.
- (b) Where this Deed makes reference to the knowledge, belief or awareness of PNX, or any similar reference, such knowledge, belief or awareness will be taken to mean the actual knowledge, belief and awareness of the PNX Directors and the PNX Company Secretary (from time to time), and includes the knowledge, belief or awareness of such persons had that person made reasonable inquiries of those persons who might reasonably be expected to have such knowledge, belief or awareness.

### 1.4 Business Day

- (a) If anything under this Deed must be done on a day that is not a Business Day, it must be done instead on the next Business Day.

- (b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

### **1.5 Contra proferentem excluded**

No term or condition of this Deed will be construed adversely to a party solely on the ground that the party was responsible for the preparation of this Deed or a provision of it.

### **1.6 Parties**

- (a) If a party consists of more than one person, this Deed binds each of them separately and any two or more of them jointly.
- (b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and severally.
- (c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and severally.

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## **2. Agreement to propose the Scheme**

### **2.1 Overview**

On and subject to the terms of this Deed, KIN proposes to acquire all of the Scheme Shares under the Scheme pursuant to which Scheme Participants will be able to receive the Scheme Consideration.

### **2.2 PNX to propose Scheme**

- (a) PNX agrees to propose and implement the Scheme on and subject to the terms and conditions set out in this Deed.
- (b) KIN agrees to assist PNX in proposing and implementing the Scheme and, if the Scheme becomes Effective, to acquire all of the Scheme Shares in exchange for the issue of the Scheme Consideration to Scheme Participants on and subject to the terms and conditions set out in this Deed.

### **2.3 No amendment to Scheme without consent**

PNX must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of KIN.

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## **3. Conditions to the Scheme**

### **3.1 Scheme Conditions**

Subject to this clause 3, the Scheme will not become Effective, and the obligations of KIN in relation to the Scheme under clause 4.8 are not binding, until each of the following Scheme Conditions is satisfied or waived:

Scheme Condition	Party entitled to benefit
<p>(a) <b>FIRB approval:</b> before 5.00pm on the Business Day before the Second Court Date, one of the following has occurred:</p> <ul style="list-style-type: none"> <li>• KIN has received written notice under the FATA, by or on behalf of the Treasurer, advising that the Australian Commonwealth Government has no objections to the Scheme either unconditionally or on terms that are acceptable to KIN (acting reasonably);</li> <li>• the Treasurer becomes precluded by the passage of time from making an order or decision under Part 3 of the FATA in relation to the Scheme and the Scheme is not prohibited by section 82 of the FATA; or</li> <li>• where an interim order is made under section 68 of the FATA in respect of the Scheme, the subsequent period for making an order or decision under Part 3 of the FATA elapses without the Treasurer making such an order or decision.</li> </ul>	Both parties
<p>(b) <b>Regulatory approvals:</b> before 8.00am on the Second Court Date:</p> <ul style="list-style-type: none"> <li>• <b>ASIC:</b> ASIC has issued or provided all such relief, confirmations, consents, approvals, qualifications or exemptions, or does such other acts which are necessary to implement the Scheme on the basis set out in this Deed and complete the transactions contemplated by this Deed and such relief, waivers, confirmations, consents, approvals, qualifications or exemptions or other acts (as the case may be) have not been withdrawn, suspended, varied or revoked;</li> <li>• <b>ASX:</b> ASX has issued or provided all such relief, confirmations, consents, approvals, waivers or does such other acts which are necessary to implement the Scheme on the basis set out in this Deed and complete the transactions contemplated by this Deed and such relief, confirmations, consents, approvals, waivers or other acts (as the case may be) have not been withdrawn, suspended, varied or revoked; and</li> <li>• <b>Other approvals:</b> all other Regulatory Approvals, waivers, consents, exemptions or declarations that are necessary or required by law, or by any Regulatory Authority, to implement the Scheme on the basis set out in this Deed and complete the transactions contemplated by this Deed being granted, given, made or obtained and those Regulatory Approvals or waivers not being withdrawn, cancelled, revoked or varied in a manner that is materially adverse to the parties (or subject to any notice, intimation or indication of intention to do any such thing).</li> </ul>	Both parties
<p>(c) <b>No restraints:</b> no judgment, order, decree, statute, law, ordinance, rule of regulation, or other temporary restraining order, preliminary or permanent injunction, restraint or prohibition, entered, enacted, promulgated, enforced or issued by any court</p>	Both parties

Scheme Condition	Party entitled to benefit
or other Government Agency of competent jurisdiction remains in effect as at 8.00am on the Second Court Date that prohibits, materially restricts, makes illegal or restrains the completion of the Scheme.	
(d) <b>PNX Shareholder approval:</b> PNX Shareholders (other than Excluded Shareholders) agree to the Scheme at the Scheme Meeting by the requisite majorities under the Corporations Act.	Both parties
(e) <b>KIN Shareholder approval:</b> The Transaction is approved by KIN Shareholders for the purposes of Listing Rule 10.1 at a general meeting of KIN Shareholders.	KIN
(f) <b>Independent Expert's Report:</b> the Independent Expert's Report concludes that the Scheme is in the best interests of PNX Shareholders and the Independent Expert does not change that conclusion in any written update or withdraw its report prior to 8.00am on the Second Court Date.	PNX
(g) <b>Court approval of the Scheme:</b> the Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme and any conditions imposed by the Court under section 411(6) of the Corporations Act are acceptable to the parties (acting reasonably).	Both parties
(h) <b>Scheme Orders lodged with ASIC:</b> an office copy of the Court order approving the Scheme under section 411(10) of the Corporations Act is lodged with ASIC.	Both parties
(i) <b>PNX Performance Rights:</b> before 8.00am on the Second Court Date, each holder of PNX Performance Rights has either: <ul style="list-style-type: none"> <li>• exercised the vested PNX Performance Rights held by them in accordance with their existing terms; or</li> <li>• entered into a Performance Rights Cancellation Deed, so that all PNX Performance Rights will have either lapsed, been exercised or cancelled in accordance with clause 4.2.</li> </ul>	KIN
(j) <b>Conversion pursuant to Silver Streaming Agreements:</b> Before 8.00am on the First Court Date, PNX has issued all PNX Shares in accordance with clause 4 of the Silver Streaming Agreements such that except in respect of any prior contraventions of the Silver Streaming Agreements, the Silver Streaming Agreements will be of no further force and effect.	KIN
(k) <b>No PNX Prescribed Event:</b> from the date of this Deed until 8.00am on the Second Court Date, no PNX Prescribed Event occurs.	KIN
(l) <b>No KIN Prescribed Event:</b> from the date of this Deed until 8.00am on the Second Court Date, no KIN Prescribed Event occurs.	PNX
(m) <b>No PNX Material Adverse Change:</b> from the date of this Deed until 8.00am on the Second Court Date, no PNX Material Adverse Change occurs.	KIN

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Scheme Condition	Party entitled to benefit
(n) <b>No KIN Material Adverse Change:</b> from the date of this Deed until 8.00am on the Second Court Date, no KIN Material Adverse Change occurs.	PNX
(o) <b>No breach of PNX Representations and Warranties:</b> the PNX Representations and Warranties are true and correct in all material respects as at the date of this Deed and as at 8:00am on the Second Court Date, except to the extent any such representation or warranty expressly relates to an earlier date.	KIN
(p) <b>No breach of KIN Representations and Warranties:</b> the KIN Representations and Warranties are true and correct in all material respects as at the date of this Deed and as at 8:00am on the Second Court Date, except to the extent any such representation or warranty expressly relates to an earlier date.	PNX

### 3.2 Waiver of Scheme Conditions

- (a) The Scheme Conditions in clauses 3.1(a), 3.1(b), 3.1(c), 3.1(d), 3.1(g) and 3.1(h) cannot be waived.
- (b) The Scheme Conditions in clauses 3.1(e), 3.1(i), 3.1(j), 3.1(k), 3.1(m) and 3.1(o) are for the sole benefit of KIN and may only be waived by KIN (in its absolute discretion) in writing.
- (c) The Scheme Conditions in clauses 3.1(f), 3.1(l), 3.1(n) and 3.1(p) are for the sole benefit of PNX and may only be waived by PNX (in its absolute discretion) in writing.
- (d) If a party waives a breach or the non-satisfaction of any of the Scheme Conditions in clause 3.1, that waiver does not prevent that party from suing the other party for any breach of this Deed that resulted in the breach or non-satisfaction of the relevant Scheme Condition.
- (e) Waiver of a breach or non-satisfaction in respect of one Scheme Condition does not constitute:
  - (i) a waiver of breach or non-satisfaction of any other Scheme Condition resulting from the same event; or
  - (ii) a waiver of breach or non-satisfaction of that Scheme Condition resulting from any other event.

### 3.3 Fulfilment of each Scheme Condition

Each party must:

- (a) **(Regulatory Approvals)** as soon as practicable after the date of this Deed, cooperate in good faith to develop a plan for communications with Government Agencies that are required to be approached for the purpose of procuring the satisfaction of any Scheme Condition, including taking all steps reasonably required by, and provide all reasonable assistance to, the other party, in good faith and in a timely manner, to prepare and file the applicable Regulatory Approval applications and send correspondence to a Government Agency and obtain each Regulatory Approval;

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- (b) **(procure satisfaction of Scheme Conditions)** use its commercially reasonable and best endeavours to procure that each Scheme Condition is satisfied as soon as practicable after the date of this Deed, including providing all reasonable assistance and information to the other party, in good faith and in a timely manner, as is necessary to satisfy each Scheme Condition;
  - (c) **(not prevent satisfaction of Scheme Condition)** not take any action (except as required by law including, for the avoidance of doubt, an action taken to avoid a potential breach of directors' fiduciary duties or statutory obligations) which is designed or is likely to prevent the Scheme Conditions being satisfied, without the prior written consent of the other party; and
  - (d) **(promptly notify)** promptly notify the other party of the fulfilment or waiver of a Scheme Condition and must keep the other party informed of any material developments of which it becomes aware in relation to a Scheme Condition.

### 3.4 Failure of a Scheme Condition

- (a) If there is an event or occurrence that would, does or will prevent any Scheme Condition being satisfied by the time and date specified in this Deed for the satisfaction of that Scheme Condition, or the Effective Date has not occurred or is incapable of occurring by the End Date, then either party may give the other party written notice, and the parties must promptly consult in good faith to:
  - (i) determine whether the Scheme may proceed by way of alternative means or methods; and
  - (ii) agree to extend the time and date specified in this Deed for the satisfaction of that Scheme Condition or the End Date, or both.
- (b) If the parties are unable to reach agreement under this clause 3.4 within the required consultation period, then after the required consultation period ends, either party may, provided that the relevant Scheme Condition is for the sole or joint benefit of that party and has not been waived, terminate this Deed by notice in writing to the other party without incurring any liability to the other party because of that termination alone and such termination will be in accordance with clause 11.1(a).

### 3.5 Scheme voted down because of Headcount Test

If the Scheme is not approved by PNX Shareholders at the Scheme Meeting by reason only of the non-satisfaction of the Headcount Test and PNX and KIN consider, acting reasonably, that the splitting by a holder of Scheme Shares into two or more parcels of Scheme Shares (whether or not it results in any change in beneficial ownership of the Scheme Shares), or some abusive or improper conduct may have caused or contributed to the Headcount Test not having been satisfied then PNX must:

- (a) apply for an order of the Court contemplated by section 411(4)(a)(ii)(A) of the Corporations Act to disregard the Headcount Test and seek Court approval of the Scheme under section 411(4)(b) of the Corporations Act, notwithstanding that the Headcount Test has not been satisfied; and
- (b) make such submissions to the Court and file such evidence as counsel engaged by PNX to represent it in Court proceedings related to the Scheme, in consultation with KIN, considers is reasonably required to seek to persuade the Court to exercise its discretion under section 411(4)(a)(ii)(A) of the Corporations Act by making an order to disregard the Headcount Test.



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## 4. Scheme implementation steps

### 4.1 Scheme Consideration

KIN covenants in favour of PNX (in its own right and on behalf of the Scheme Participants) that in consideration for the transfer of each PNX Share held by a Scheme Participant under the terms of the Scheme to KIN, KIN will provide Scheme Participants, for each PNX Share held on the Scheme Record Date, the Scheme Consideration in accordance with the terms of this Deed, the Scheme and the Deed Poll.

- (a) Unless KIN is satisfied that the laws of an Ineligible Foreign Shareholder's country of residence (as shown in the PNX Share Register) permit the issue and allotment of the Scheme Consideration to the Ineligible Foreign Shareholder, either unconditionally or after compliance with conditions which KIN in its sole discretion regards as acceptable and not unduly onerous, the Scheme Consideration to which an Ineligible Foreign Shareholder will become entitled will be allotted to the Sale Agent who will sell those KIN Shares and pay the net proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to those Ineligible Foreign Shareholders. KIN must appoint the Sale Agent no later than 5 Business Days prior to the Scheme Meeting.

### 4.2 PNX Performance Rights

- (a) PNX must, as soon as possible after the date of this Deed, take all action necessary to ensure that there are no outstanding PNX Performance Rights on or after the Implementation Date.
- (b) Without limiting the generality of this clause 4.2, PNX must cause all outstanding PNX Performance Rights to:
  - (i) be exercised or expire in accordance with their existing terms as at the date of this Deed by no later than the Business Day before the Second Court Date; or
  - (ii) to the extent the PNX Performance Rights are not exercised or expired before the Second Court Date, be cancelled in accordance with a Performance Rights Cancellation Deed with effect by no later than the Implementation Date,

and, if applicable, make any necessary waiver applications to ASX in respect of the actions under this clause 4.2.

- (c) Subject to the terms and conditions of the Performance Rights Cancellation Deeds, the transactions which form part of the cancellation of the PNX Performance Rights will be implemented in the following sequence:
  - (i) the PNX Performance Rights will be cancelled; and
  - (ii) in exchange, KIN will cause each holder of PNX Performance Rights to receive cash consideration for each PNX Performance Right held by that holder of PNX Performance Rights to the extent the PNX Performance Rights are not exercised or expire in accordance with clause 4.2(b)(ii). The cash consideration will be determined utilising the valuation in Schedule 8.

### 4.3 Ranking

All KIN Shares to be issued pursuant to the Scheme must, on their issue, rank equally with all other KIN Shares.

### 4.4 Quotation

KIN will use its best endeavours to procure that the KIN Shares comprising the Scheme Consideration are admitted on the ASX for quotation as soon as reasonably practicable after the Implementation Date and issue certificates or holding statements for those KIN Shares.

### 4.5 Fractional entitlements

Where the calculation of the number of KIN Shares to be issued to a particular Scheme Participant would result in the Scheme Participant becoming entitled to a fraction of a KIN Share, the fractional entitlement will be:

- (a) if the fractional entitlement is less than 0.5, rounded down to the nearest whole number of KIN Shares, except, in the event that such rounding resulted in a Scheme Participant receiving less than one (1) KIN Share, in which case they will be issued one (1) KIN Share; and
- (b) if the fractional entitlement is equal to or more than 0.5, it will be rounded up to the nearest whole number of KIN Shares.

### 4.6 Loan Facility Agreement

It is acknowledged that on or about the date of this Deed the parties entered into the Loan Facility Agreement pursuant to which KIN agreed to advance to PNx a loan facility in an aggregate amount of up to \$1,500,000 to assist PNx fund its short-term working capital needs through the Scheme process.

### 4.7 PNx's obligations

PNx must take all necessary steps to implement the Scheme as soon as reasonably practicable and without limiting the foregoing use reasonable endeavours to ensure that each step in the Timetable is met by the relevant date set out beside that step (and must consult with KIN on a regular basis about its progress in that regard), including doing any acts it is authorised and able to do, on behalf of PNx Shareholders, and including each of the following:

- (a) **PNx IBC Directors' recommendation for Announcement:** subject to clause 4.13(e), include a statement in the Announcement that each of the PNx IBC Directors:
  - (i) unanimously considers that the Scheme is in the best interests of PNx Shareholders;
  - (ii) unanimously recommends that PNx Shareholders vote in favour of the Scheme and approve the Scheme; and
  - (iii) will vote (or will procure the voting of) all PNx Shares held or controlled by or on their behalf in favour of the Scheme,

subject to there being no Superior Proposal in respect of PNx and subject to the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of PNx Shareholders (other than Excluded Shareholders);

- (b) **preparation of Scheme Booklet:**
- (i) prepare and despatch the Scheme Booklet in accordance with all applicable laws including, in particular, the Corporations Act, the Corporations Regulations, RG 60 and the Listing Rules;
  - (ii) consult with KIN as to the content and presentation of the Scheme Booklet (save to the extent such content and presentation is prescribed by the Corporations Act) including:
    - (A) providing to KIN drafts of the Scheme Booklet and the Independent Expert's Report for the purpose of enabling KIN to review and comment on those draft documents. In relation to the Independent Expert's Report, KIN's review is to be limited to a factual accuracy review;
    - (B) taking all comments made by KIN, received within a reasonable time, into account and in good faith when producing revised draft(s) of the Scheme Booklet;
    - (C) providing to KIN a revised draft of the Scheme Booklet within a reasonable time before the Regulator's Draft is finalised and to enable KIN to review the Regulator's Draft before the date of its submission with ASIC; and
    - (D) obtaining written approval from KIN for the form and content in which the KIN Information appears in the Scheme Booklet prior to lodging the Regulator's Draft with ASIC;
- (c) **accuracy of PNX Information:** confirming to KIN that PNX has reasonable grounds to believe, and does believe, that the PNX Information in the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;
- (d) **PNX IBC Directors' recommendation in Scheme Booklet:** subject to clause 4.13(e), include in the Scheme Booklet a statement by the PNX IBC Directors:
- (i) unanimously recommending that PNX Shareholders (other than Excluded Shareholders) vote in favour of the Scheme at the Scheme Meeting; and
  - (ii) that each PNX IBC Director will vote (or procure the voting of) any PNX Shares held or controlled by or on their behalf in favour of the Scheme at the Scheme Meeting,
- subject to there being no Superior Proposal in respect of PNX subject to the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of PNX Shareholders (other than Excluded Shareholders);
- (e) **update Scheme Booklet:** promptly update the Scheme Booklet with any information that arises after the Scheme Booklet has been dispatched and until the date of the Scheme Meeting that is necessary to ensure that the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;
- (f) **lodgement of Regulator's Draft:**

- (i) no later than 14 days before the First Court Date, provide the Regulator's Draft to ASIC for its review for the purposes of section 411(2) of the Corporations Act, and provide a copy of the Regulator's Draft to KIN immediately thereafter; and
  - (ii) keep KIN informed of any material issues raised by ASIC in relation to the Regulator's Draft and, where practical to do so, consult with KIN in good faith prior to taking any steps or actions to address any such material issues (provided that, where such issues relate to KIN Information, PNX must not take any steps to address them without KIN's prior written consent);
- (g) **section 411(17)(b) statement:** apply to ASIC for the production of:
  - (i) indication of intent letter stating that it does not intend to appear before the Court on the First Court Date; and
  - (ii) a statement under section 411(17)(b) of the Corporations Act that ASIC has no objection to the Scheme;
- (h) **First Court Hearing:** apply to the Court for orders pursuant to section 411(1) of the Corporations Act directing PNX to convene the Scheme Meeting;
- (i) **appeal process:** if the Court refuses to make any orders directing PNX to convene the Scheme Meeting or approving the Scheme:
  - (i) consult with KIN in good faith as to whether to appeal the Court's decision;
  - (ii) appeal the Court decision unless the parties agree otherwise or experienced external legal counsel opines that, in their view, an appeal would have no reasonable prospect of success, being less than 50% chance of success; and
  - (iii) share the costs of any appeal equally with KIN.
- (j) **Scheme Meeting:** convene the Scheme Meeting to agree to the Scheme in accordance with orders made by the Court pursuant to section 411(1) of the Corporations Act;
- (k) **Court documents:** consult with KIN in relation to the content of the documents required for the purpose of each of the Court hearings held for the purpose of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders) and consider in good faith, for the purpose of amending drafts of those documents, comments from KIN and its Representatives on those documents;
- (l) **Second Court Hearing:** subject to all Scheme Conditions (other than the Scheme Conditions in clauses 3.1(g) and 3.1(h)) being satisfied or waived in accordance with this Deed, apply to the Court for orders approving the Scheme as agreed to by the PNX Shareholders (other than Excluded Shareholders) at the Scheme Meeting;
- (m) **certificate:** at the hearing on the Second Court Date provide to the Court:
  - (i) a signed certificate (for and on behalf of PNX) confirming whether or not the Scheme Conditions in clause 3.1 (other than the Scheme Conditions in clauses 3.1(g) and 3.1(h)) have been satisfied or waived in accordance with this Deed. A draft of such certificate shall be provided by PNX to KIN by 4.00pm two Business Days prior to the Second Court Date; and

- (ii) any certificate provided to it by KIN pursuant to 4.8(f);
- (n) **notify ASX of Court orders:** as soon as reasonably possible after conclusion of the Second Court Hearing obtain an office copy of the orders made by the Court under section 411(4)(b) of the Corporations Act approving the Scheme, and, promptly after receipt of these orders, tell the ASX of PNx's intention to lodge the Court orders with ASIC the following Business Day;
- (o) **lodge copy of Court order:** lodge with ASIC an office copy of the Court order in accordance with section 411(10) of the Corporations Act approving the Scheme (if made) on the day such office copy is received (or such later date as agreed in writing by KIN);
- (p) **Scheme Consideration:** if the Scheme becomes Effective, close the PNx Share Register as at the Scheme Record Date and determine entitlements to the Scheme Consideration in accordance with the Scheme and the Deed Poll;
- (q) **transfer and registration:** if the Scheme becomes Effective and subject to KIN having issued the Scheme Consideration in accordance with the Scheme and the Deed Poll:
  - (i) execute proper instruments for the transfer of the Scheme Shares to KIN; and
  - (ii) register all transfers of PNx Shares held by Scheme Participants to KIN on the Implementation Date;
- (r) **information:** provide all necessary information, or procure that the PNx Registry provides all necessary information, in each case in a form reasonably requested by KIN, about the Scheme, and Scheme Participants to KIN and its Representatives which KIN reasonably requires in order to:
  - (i) canvass agreement to the Scheme by Scheme Participants (including the results of directions by PNx to Scheme Participants under Part 6C.2 of the Corporations Act); or
  - (ii) facilitate the provision by, or on behalf of, KIN of the Scheme Consideration.

PNx must comply with any reasonable request of KIN for PNx to give directions to Scheme Participants pursuant to Part 6C.2 of the Corporations Act from time to time for one of the purposes referred to in (i) or (ii) above;
- (s) **registration of Scheme Booklet:** take all reasonable measures within its control to cause ASIC to register the Scheme Booklet under section 412(6) of the Corporations Act;
- (t) **representation:** procure that it is represented at the Court hearings convened for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act;
- (u) **proxy information:** between the date commencing 5 Business Days after the Scheme Booklet is dispatched and the day prior to the Scheme Meeting, upon request by KIN, provide KIN with details of proxies received in relation to the resolution(s) to be considered at the Scheme Meeting;
- (v) **ASIC and ASX review:** keep KIN informed of any matters raised by ASIC or ASX in relation to the Scheme Booklet or the Scheme, and use reasonable endeavours to take into consideration in resolving such matters any issues raised by KIN;

- (w) **Independent Expert:** promptly appoint the Independent Expert in connection with the preparation of the Independent Expert's Report, and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report for inclusion in the Scheme Booklet (including any updates to such report) and any other materials to be prepared by them for inclusion in the Scheme Booklet (including any updates thereto);
- (x) **compliance with laws:** do everything reasonably within its power to ensure that the Scheme is effected in accordance with all laws and regulations;
- (y) **ASX listing:** subject to clause 4.7(z), not do anything to cause PNX Shares to cease being quoted on ASX or to become permanently suspended from quotation prior to implementation of the Scheme unless KIN has agreed in writing;
- (z) **suspension from trading:** apply to ASX to:
- (i) suspend trading in PNX Shares with effect from the close on trading on the Effective Date; and
  - (ii) have PNX removed from the official list of ASX, and quotation of PNX Shares on ASX terminated, with effect on and from the close of trading on the Trading Day immediately following, or shortly after, the Implementation Date,
- or, in each case, such other dates as the parties may agree, acting reasonably, following consultation with ASX and not do anything to cause any of these things to happen before the time specified in this clause 4.7(z);
- (aa) **Scheme Implementation:** without limiting clause 4.7(q), if the Court makes orders under section 411(4) of the Corporations Act approving the Scheme:
- (i) determine the identity of each Scheme Participant and their entitlement to the Scheme Consideration as at the Scheme Record Date, including by taking up-to-date copies of the PNX Share Register current as at the Scheme Record Date;
  - (ii) provide to KIN all information about the Scheme Participants that KIN reasonably requires (and in a form reasonably acceptable to KIN) in order for KIN to provide the Scheme Consideration to the Scheme Participants in accordance with the Scheme and the Deed Poll; and
  - (iii) do all other things contemplated by or necessary to give effect to the Scheme and the orders of the Court.

#### 4.8 KIN's obligations

KIN must take all necessary steps to implement the Scheme as soon as is reasonably practicable and without limiting the foregoing use reasonable endeavours to ensure that each step in the Timetable is met by the date set out beside that step (and consult with PNX on a regular basis about its progress in that regard), including doing each of the following:

- (a) **Deed Poll:** execute and deliver to PNX the Deed Poll on the Execution Date;
- (b) **prepare KIN Information:**
  - (i) prepare and promptly provide to PNX the KIN Information for inclusion in the Scheme Booklet, including information regarding the KIN Group required by all applicable laws and in particular by the Corporations Act, the Corporations Regulations, RG 60 and the Listing Rules;



- (ii) consent to the inclusion of KIN Information in the Scheme Booklet; and
  - (iii) confirm to PNX that KIN has reasonable grounds to believe, and does believe, that the KIN Information in the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;
  - (iv) promptly provide to PNX any new information which, were it known at the time the Scheme Booklet was prepared, should have been included in the KIN Information;
- (c) **Independent Expert's Report:** subject to the Independent Expert entering reasonable confidentiality arrangements with KIN, provide any information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (d) **update KIN Information:** promptly provide PNX with any KIN Information that arises after the Scheme Booklet has been dispatched and until the date of the Scheme Meeting that is necessary to ensure that the KIN Information in the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;
- (e) **assistance with Scheme Booklet and Court documents:** provide any assistance or information reasonably requested by PNX or its Representatives in connection with the preparation of the Scheme Booklet (including any supplementary disclosure to PNX Shareholders) or any Court documents, including reviewing the drafts of the Scheme Booklet and the Court documents prepared by PNX and provide comments in a timely manner on those drafts in good faith;
- (f) **certificate:** before 8.00am on the Second Court Date, provide a signed certificate (for and on behalf of KIN) confirming whether or not the Scheme Conditions in clause 3.1 (other than the Scheme Conditions in clauses 3.1(g) and 3.1(h)) have been satisfied or waived in accordance with this Deed. A draft of such certificate shall be provided by KIN to PNX by 4.00pm two Business Days prior to the Second Court Date;
- (g) **Scheme Share transfer:** if the Scheme becomes Effective, accept a transfer of the Scheme Shares as contemplated by clause 4 and the terms of the Scheme and Deed Poll;
- (h) **Quotation:** Before 8.00am on the Second Court Date, procure that the KIN Shares have been approved for quotation on ASX;
- (i) **Scheme Consideration:** if the Scheme becomes Effective, provide the Scheme Consideration in the manner and amount contemplated by clause 4 and the terms of the Scheme and Deed Poll;
- (j) **ASX listing:** not do anything to cause KIN Shares to cease being quoted on ASX or to become permanently suspended from quotation prior to implementation of the Scheme unless PNX has agreed in writing; and
- (k) **compliance with laws:** do everything reasonably within its power to ensure that the Scheme is effected in accordance with all laws and regulations and to otherwise give effect to the Scheme and the orders of the Court.



#### 4.9 Conduct of business

- (a) Subject to clause 4.9(b) and without limiting any other obligations of a party under this Deed, from the date of this Deed up to and including the Implementation Date, each party must:
- (i) conduct its businesses, and must cause each Group Member to conduct their respective businesses, in the ordinary and usual course generally consistent with the manner in which each such business and operations have been conducted in the 12 month period prior to the date of this Deed;
  - (ii) not, and must ensure that each Group Member does not, enter into or amend any employment, consulting, severance or similar agreement or arrangement with officers, directors, other executives or employees of a Group Member, other than:
    - (A) the engagement of a Managing Director and/or Chief Executive Officer by KIN, provided that KIN has consulted with PNx on the potential engagement ; or
    - (B) pursuant to contractual arrangements in effect at the date of this Deed and which have been fully and Fairly Disclosed in writing to the other party prior to the date of this Deed;
  - (iii) not, and must ensure that each Group Member does not, accelerate or otherwise increase compensation or benefits for any existing officers, directors, other executives or employees of a Group Member, other than pursuant to contractual arrangements in effect at the date of this Deed and which have been fully and Fairly Disclosed in writing to the other party prior to the date of this Deed;
  - (iv) not, and must ensure that each Group Member does not, pay any of its directors or employees a termination or retention payment, other than in accordance with contractual arrangements in effect at the date of this Deed and which have been fully and Fairly Disclosed in writing to the other party prior to the date of this Deed;
  - (v) not, and must ensure that each Group Member does not, waive any non-compete rights against any Group Member executives;
  - (vi) not, and must ensure that each Group Member does not, enter into any enterprise bargaining agreement or industrial instrument other than in the ordinary course of business or pursuant to contractual arrangements in effect at the date of this Deed and which have been fully and Fairly Disclosed in writing to the other party prior to the date of this Deed;
  - (vii) not, and must ensure that each Group Member does not, enter or agree to enter into any agreement in respect of the employment or engagement of a person as a senior executive, other than the engagement of a Managing Director and/or Chief Executive Officer by KIN;
  - (viii) not take, or fail to take any action which is, or would be reasonably expected to give rise to, a KIN Prescribed Event (in the case of KIN) or PNx Prescribed Event (in the case of PNx); and
  - (ix) make all reasonable efforts to:

- (A) preserve and maintain the value of the businesses and assets of each Group Member;
  - (B) keep available the services of the directors, officers and employees of each Group Member;
  - (C) maintain and preserve its relationships and contracts with customers, suppliers, licensors, licensees, joint venturers and others with whom it has business dealings and which are material to its business; and
  - (D) not enter into any lines of business or other activities in which a Group Member is not engaged as at the date of this Deed.
- (b) Nothing in clause 4.9(a) restricts the ability of a party to take any action which:
- (i) is required by or expressly acknowledged by the Transaction Documents or any of the transactions contemplated by any of these;
  - (ii) is approved in writing by the other party (such approval not to be unreasonably withheld or delayed);
  - (iii) is undertaken in response to any Competing Proposal in accordance with clause 9;
  - (iv) required by law or by an order of a Regulatory Authority; or
  - (v) which has been Fairly Disclosed in the PNX Diligence Materials (in the case of PNX) or KIN Diligence Materials (in the case of KIN) (including an action that a party may carry out between (and including) the Execution Date and the Implementation Date).

#### **4.10 PNX board and management changes**

- (a) PNX represents and warrants to KIN that it has been advised by each PNX Director that they will, and PNX must procure that the PNX Board will, on the Implementation Date:
- (i) procure that each PNX Director resigns from their office as a PNX Director by providing to the PNX Board their resignation in writing (such resignation to include a statement to the effect that the outgoing director has no claim outstanding against any member of the PNX Group in respect of their roles as directors of PNX, but not otherwise in respect of any rights or accrued entitlements (if any) as employees;
  - (ii) procure that each director of each Subsidiary of PNX resigns from their office as a director of the relevant Subsidiary of PNX by providing to the board of the relevant Subsidiary of PNX their resignation in writing (such resignation to include a statement to the effect that the outgoing director has no claim outstanding against any member of the PNX Group in respect of their role as a director of the relevant Subsidiary); and
  - (iii) procure that those persons nominated by KIN are appointed to the PNX Board and the boards of any Subsidiaries of the PNX Group.
- (b) The obligations in clauses 4.10(a) are subject to and conditional on:
- (i) the Scheme Consideration having been provided in full to the Scheme Participants in accordance with the Scheme and the Deed Poll; and

- (ii) the receipt by PNx of signed consents to act as directors of PNx from those persons nominated by KIN.

#### 4.11 KIN Directorship

KIN must, on or before the Implementation Date, procure that Graham Leslie Ascough, being an existing PNx Director, be appointed to the KIN Board, conditional on the Scheme becoming Effective and, subject to Mr Ascough providing the necessary signed consent to act, KIN must:

- (a) take all necessary steps to ensure that KIN appoints Mr Ascough to the KIN Board with effect on and from the Implementation Date; and
- (b) recommend Mr Ascough for election at the first KIN annual general meeting of KIN Shareholders following the Implementation Date.

#### 4.12 Deeds of indemnity, access and insurance

- (a) KIN acknowledges that notwithstanding any other provision of this Deed, PNx may, with the written approval of KIN (such approval not to be unreasonably withheld or delayed), prior to the Implementation Date, enter into, and pay in full the premium in respect of, a directors' and officers' run-off insurance policy for up to such 7 year period in respect of any directors and officers (and relevant former directors and officers) of the PNx Group (**D&O run-off policy**), with the same or substantially the same scope and terms as existing insurance policies in place for its directors or officers at the date of this Deed and that any reasonable actions to facilitate that the D&O run-off policy will not be a PNx Prescribed Event or a breach of any provision of this Deed.
- (b) Subject to the Scheme becoming Effective and the Scheme completing, KIN undertakes in favour of PNx and each other PNx Indemnified Party that it will:
  - (i) for a period of seven years from the Implementation Date, ensure that the constitutions of PNx and each other member of the PNx Group continue to contain such rules as are contained in those constitutions at the date of this Deed that provide for each company to indemnify each of its directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than a member of the PNx Group; and
  - (ii) procure that PNx and each member of the PNx Group complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and use its best endeavours to ensure that directors' and officers' run-off insurance cover for such directors and officers is maintained for a period of seven years from the retirement date of each director and officer provided that it is available on commercially reasonable terms.
- (c) The provisions contained in this clause 4.11 are subject to any Corporations Act restriction and will be read down accordingly.
- (d) PNx receives and holds the benefit of clause 4.11 to the extent it relates to other PNx Indemnified Parties, for and on behalf of, and as trustee for, them.
- (e) The undertakings in this clause 4.11 are given until the earlier of:
  - (i) the end of the relevant period specified in clause 4.12(b); or

- (ii) the date on which the relevant PNX Group member ceases to be part of the PNX Group.

#### 4.13 PNX IBC recommendation

- (a) Subject to clauses 4.13(b) and (e), the PNX IBC must unanimously recommend that PNX Shareholders (other than Excluded Shareholders) vote in favour of:
  - (i) the Scheme; and
  - (ii) the resolution(s) relevant to PNX Shareholders in the Scheme Booklet, at the Scheme Meeting, subject to:
    - (iii) the Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of PNX Shareholders (other than Excluded Shareholders); and
    - (iv) there being no Superior Proposal in respect of PNX.
- (b) The PNX IBC collectively and each of the PNX IBC Directors individually, must not change:
  - (i) withdraw or modify their recommendation in favour of the Scheme; or
  - (ii) support or endorse a Competing Proposal in respect of PNX or recommend that PNX Shareholders accept or vote in favour of a Competing Proposal in respect of PNX,unless:
  - (iii) in respect of the Scheme, the Independent Expert provides a report to PNX which concludes (and continues to conclude) that the Scheme is not in the best interests of PNX Shareholders (other than Excluded Shareholders);
  - (iv) PNX has received a Competing Proposal which is a Superior Proposal, provided that KIN has extinguished its rights under and in accordance with clause 9.6(c);
  - (v) the PNX IBC has obtained written financial advice from external financial advisors and written legal advice from external legal advisors that the PNX IBC, by virtue of the directors' duties of the members of the PNX IBC, is required to change, withdraw or modify its recommendation and either the period for consultation under clause 4.13(c)(ii) has expired or PNX has complied with its obligations under clause 9.6 in relation to the matters giving rise to the proposed change of recommendation; or
  - (vi) an event in clause 11.1(d) occurs and PNX has provided notice of termination to KIN in accordance with that clause,provided also that the PNX IBC has complied with its obligations under clause 9.
- (c) Subject to clause 4.13(d), if the PNX IBC proposes to change its recommendation in accordance with clause 4.13(b):
  - (i) the PNX IBC must notify KIN in writing immediately if it is proposing to announce a change, withdrawal or modification of its recommendation and, if applicable, it must at the same time provide a copy of the legal advice referred to clause 4.13(b)(v); and

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- (ii) the parties must consult in good faith for 3 Business Days after the date on which the notification in clause 4.13(c)(i) is given to consider and determine whether the recommendation in place at that time can be maintained.
  - (d) PNX and the PNX IBC are not required to comply with clause 4.13(c) where PNX has already complied with its obligations under clause 9.6 in relation to the matters giving rise to the proposed change of recommendation.
  - (e) The obligations of PNX under this Deed (including under clauses 4.7(a) and 4.13(a)) to ensure that each PNX IBC Director provides and maintains their recommendation that PNX Shareholders vote in favour of the Scheme and the resolution(s) relevant to PNX Shareholders in the Scheme Booklet is qualified to the extent that any PNX IBC Director considers, after having taken legal advice and acting in good faith, that they should not provide or continue to maintain any recommendation (positive or adverse) because that PNX IBC Director has an interest in the Scheme that is so materially different from other PNX Shareholders which would properly preclude or render it inappropriate for them to provide any such recommendation.

#### **4.14 KIN IBC recommendation**

- (a) Subject to clauses 4.14(b) and 4.14(e), the KIN IBC must unanimously recommend and support the Transaction and recommend that KIN Shareholders vote in favour of the resolution(s) for the purposes of Listing Rule 10.1 at a general meeting of KIN Shareholders.
- (b) The KIN IBC collectively and each of the KIN IBC Directors individually, must not change withdraw or modify their recommendation in favour of the resolution(s) pursuant to clause 4.14(a), unless:
  - (i) KIN has received a Competing Proposal which is a Superior Proposal;
  - (ii) the KIN IBC has obtained written financial advice from external financial advisors and written legal advice from external legal advisors that the KIN IBC, by virtue of the directors' duties of the members of the KIN IBC, is required to change, withdraw or modify its recommendation and either the period for consultation under clause 4.14(b)(iii) has expired or KIN has complied with its obligations under clause 9.6 in relation to the matters giving rise to the proposed change of recommendation; or
  - (iii) an event in clause 11.1(d) occurs and KIN has provided notice of termination to PNX in accordance with that clause.provided also that the KIN IBC has complied with its obligations under clause 9.
- (c) Subject to clause 4.14(d), if the KIN IBC proposes to change its recommendation in accordance with clause 4.14(b):
  - (i) the KIN IBC must notify PNX in writing immediately if it is proposing to announce a change, withdrawal or modification of its recommendation and, if applicable, it must at the same time provide a copy of the legal advice referred to clause 4.14(b)(i); and
  - (ii) the parties must consult in good faith for 3 Business Days after the date on which the notification in clause 4.14(c)(i) is given to consider and determine whether the recommendation in place at that time can be maintained.

- (d) KIN and the KIN IBC are not required to comply with clause 4.14(c) where KIN has already complied with its obligations under clause 9.6 in relation to the matters giving rise to the proposed change of recommendation.
- (e) The obligations of KIN under this Deed (including under clause 4.14(a)) to ensure that each KIN IBC Director provides and maintains their recommendation that KIN Shareholders vote in favour of the resolution(s) for the purposes of Listing Rule 10.1 is qualified to the extent that any KIN IBC Director considers, after having taken legal advice and acting in good faith, that they should not provide or continue to maintain any recommendation (positive or adverse) because that KIN IBC Director has an interest in the resolution(s) that is so materially different from other KIN Shareholders which would properly preclude or render it inappropriate for them to provide any such recommendation.

#### **4.15 Conduct of Court proceedings**

- (a) PNX and KIN are entitled to separate representation at all Court proceedings affecting the Scheme.
- (b) This Deed does not give PNX or KIN any right or power to give undertakings to the Court for or on behalf of the other party without that party's written consent.
- (c) PNX and KIN must give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Scheme as contemplated by this Deed.

#### **4.16 Responsibility for statements**

The Scheme Booklet will contain a responsibility statement to the effect that:

- (a) KIN is responsible for the KIN Information contained in the Scheme Booklet; and
- (b) PNX is responsible for the PNX Information contained in the Scheme Booklet.

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## **5. Access to information and Implementation Committee**

### **5.1 Access to information**

- (a) Between the date of this Deed and the earlier of the Implementation Date and the date this Deed is terminated, each party must, and must cause each of its Subsidiaries to, promptly afford the other party and its Representatives reasonable access to information (subject to any existing confidentiality obligations owed to third parties), premises or such senior executives of any Group Member as reasonably requested, at mutually convenient times and afford the other party reasonable co-operation for the sole purpose of:
- (i) satisfying any of the Scheme Conditions;
  - (ii) understanding the financial position, business, operations or assets of the Group;
  - (iii) implementation of the Scheme; and
  - (iv) any other purpose agreed between the parties.
- (b) Noting in this clause 5 shall require a party to provide any information:

- (i) that would result in unreasonable disruptions to the party's business;
- (ii) in breach of an obligation of confidentiality to any person;
- (iii) that will result in it breaching any laws; or
- (iv) concerning consideration of the Scheme, the Transaction or any actual or potential Competing Proposal.
- (c) Each party agrees, and agrees to procure that its Representatives agree, to comply with the other party's reasonable requirements (including allowing oversight and participation by a party's Representatives).

## **5.2 Implementation Committee**

- (a) The parties must establish an Implementation Committee as soon as reasonably practicable after the Execution Date.
- (b) The role of the Transaction Implementation Committee will be to act as a forum for consultation and planning by the parties to:
- (i) implement the Scheme, and the Transaction more broadly;
- (ii) consider any material variation of the PNX budget (whether for any individual budgeted line item or in aggregate);
- (iii) monitor and (to the extent practicable) minimise transaction costs incurred by the parties as the Transaction progresses to implementation; and
- (iv) ensure the smooth transition of the management of the business and affairs of the PNX Group to the KIN Group following the implementation of the Scheme, including any reasonable assistance required or requested by KIN.
- (c) The Implementation Committee will meet at least fortnightly (unless otherwise agreed by the parties), and meetings may be held via telephone or video conference.
- (d) Subject to this Deed, nothing in this clause requires either party to act at the direction of the other. The business of each party will continue to operate independently from the other until the Implementation Date. The parties agree that nothing in this Deed constitutes the relationship of a partnership, joint venture or similar nature between the parties.

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## **6. Representations and warranties**

### **6.1 KIN Representations and Warranties**

KIN represents and warrants to PNX (in its own right and separately as trustee or nominee for each of the other PNX Indemnified Parties) each of the KIN Representations and Warranties are true and correct.

### **6.2 Qualifications on KIN Representations and Warranties**

The KIN Representations and Warranties under clause 6.1 and Schedule 6 are subject to matters which:

- (a) are expressly provided for in the Transaction Documents;
- (b) have been fully and Fairly Disclosed in:



- (i) the KIN Diligence Materials; and
  - (ii) public filings of KIN on ASX in the 12 months before the Execution Date; or
- (c) are within the actual knowledge of PNX.

### **6.3 PNX Representations and Warranties**

PNX represents and warrants to KIN (in its own right and separately as trustee or nominee for each of the other KIN Indemnified Parties) each of the PNX Representations and Warranties are true and correct.

### **6.4 Qualifications on PNX Representations and Warranties**

The PNX Representations and Warranties under clause 6.3 and Schedule 7 are subject to matters which:

- (a) are expressly provided for in the Transaction Documents;
- (b) have been fully and Fairly Disclosed in:
  - (i) the PNX Diligence Materials; and
  - (ii) public filings of PNX on ASX in the 12 months before the Execution Date; or
- (c) are within the actual knowledge of KIN.

### **6.5 Timing of representation and warranties**

Each representation and warranty made or given under clauses 6.1 or 6.3 is given at the Execution Date and again on each subsequent day until 8.00am on the Second Court Date, except where expressed to be given at a particular time in which case the representation or warranty is provided at that time.

### **6.6 Survival of representations and warranties**

Each representation and warranty under clauses 6.1 or 6.3:

- (a) is severable;
- (b) survives termination of this Deed;
- (c) is given with the intention that liability under it is not confined to breaches that are discovered before the date of termination of this Deed;
- (d) is to be construed independently of all other representations and warranties; and
- (e) is not limited by any other representation or warranty.

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## **7. Releases**

### **7.1 Release of PNX Indemnified Parties**

- (a) Subject to clause 7.1(b), KIN releases its respective rights, and agrees with PNX that it will not make a claim, against a PNX Indemnified Party in connection with:
  - (i) any breach of any representations, covenants and warranties of PNX in this Deed;

- (ii) the implementation of the Scheme;
- (iii) any disclosures containing any statement which is false or misleading whether in content or by omission; or
- (iv) any failure to provide information,

except where the PNX Indemnified Party has engaged in fraud, gross negligence, wilful breach, wilful misconduct, wilful concealment or has acted in bad faith.

- (b) This clause is subject to any statutory restriction and will be read down accordingly.
- (c) PNX receives and holds the benefit of this clause to the extent it relates to each PNX Indemnified Party as trustee for each of them.

## 7.2 Release of KIN Indemnified Parties

- (a) Subject to clause 7.2(b), PNX releases its rights, and agrees with KIN that it will not make a claim, against any person who is a KIN Indemnified Party in connection with:
  - (i) any breach of any representations, covenants and warranties of KIN in this Deed;
  - (ii) the implementation of the Scheme;
  - (iii) any disclosures containing any statement which is false or misleading whether in content or by omission; or
  - (iv) any failure to provide information,

except where the KIN Indemnified Party has engaged in fraud, gross negligence, wilful breach, wilful misconduct, wilful concealment or has acted in bad faith.

- (b) This clause is subject to any statutory restriction and will be read down accordingly.
- (c) KIN receives and holds the benefit of this clause to the extent it relates to each KIN Indemnified Party as trustee for each of them.

## 7.3 Survival of releases

- (a) Each release in this clause 7:
  - (i) is severable;
  - (ii) survives termination of this Deed;
  - (iii) is a continuing obligation; and
  - (iv) constitutes a separate and independent obligation of the party giving the release from any other obligation of that party under this Deed.

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## 8. Public announcement

### 8.1 Announcement of Transaction

- (a) Immediately after the execution of this Deed, PNX and KIN must issue a joint public announcement in a form agreed to in writing between them.

- (b) The Announcement must contain the recommendation described in clause 4.7(a).
- (c) PNX must ensure that any public announcement or disclosure made by PNX after the Execution Date in relation to the Transaction or any subject matter thereof, or any other transaction the subject of the Transaction Documents or the Transaction contains a statement that:
- (i) the PNX IBC unanimously recommends the Scheme to PNX Shareholders and recommends that PNX Shareholders vote in favour of the Scheme at the Scheme Meeting; and
  - (ii) each PNX IBC Director intends to vote, or cause to be voted, all PNX Shares in which they have a Relevant Interest in favour of the Scheme at the Scheme Meeting,
- in each case:
- (iii) in the absence of a Superior Proposal; and
  - (iv) subject to the Independent Expert concluding in the Independent Expert's Report (or any update or variation to that report) that the Scheme is in the best interests of PNX Shareholders.
- (d) KIN must ensure that any public announcement or disclosure made by KIN after the Execution Date in relation to the Transaction or any subject matter thereof, or any other transaction the subject of the Transaction Documents or the Transaction contains a statement that each of the KIN IBC Directors:
- (i) unanimously support the Transaction and recommend that KIN Shareholders vote in favour of the resolution(s) for the purposes of Listing Rule 10.1 at a general meeting of KIN Shareholders; and
  - (ii) each vote (or will procure the voting of) all KIN Shares held or controlled by or on their behalf in favour of the resolution(s) for the purposes of Listing Rule 10.1 at a general meeting of KIN Shareholders,
- in the absence of a KIN Superior Proposal.

## 8.2 Public announcements

Subject to clause 8.3, no public announcement or disclosure of the Transaction or any other transaction the subject of the Transaction Documents may be made other than in a form approved by each party (acting reasonably), but each party must use all reasonable endeavours to provide such approval as soon as practicable, except where:

- (a) the announcement is being made in connection with a Competing Proposal or Superior Proposal for PNX, or a change in recommendation of the PNX IBC Directors;
- (b) the announcement is being made in connection with a Competing Proposal or Superior Proposal for KIN; or
- (c) in connection with a dispute between the parties regarding the Scheme.

## 8.3 Required disclosure

Where a party is required by applicable law, the Listing Rules or by ASX, ASIC or the Court to make any announcement or to make any disclosure in connection with the Transaction or any

other transaction the subject of the Transaction Documents, it must use reasonable endeavours, to the extent reasonably practicable and lawful, to consult with the other party prior to making the relevant disclosure.

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## **9. Exclusivity**

### **9.1 No continuing discussions**

- (a) Each party represents and warrants to the other party that as at the Execution Date:
  - (i) it has ceased all negotiations or discussions with any person in respect of any Competing Proposal, or which could reasonably be expected to encourage or lead to the making of an actual, proposed or potential Competing Proposal; and
  - (ii) it is not a party to any agreement or arrangement with a Third Party for the purpose of facilitating a Competing Proposal.
- (b) On the Execution Date, each party must, and must procure that each of its Representatives:
  - (i) cease any discussions with any Third Party in relation to, a potential Competing Proposal or a transaction which would affect, prejudice or jeopardise the completion of the Transaction;
  - (ii) cease the provision of any due diligence access and the making available of any non-public information in relation to it to any Third Party and procure the return or destruction of such non-public information by the Third Party; and
  - (iii) not terminate, waive, amend or modify any provision of any existing confidentiality agreement relating to any possible Competing Proposal or any standstill agreement to which any Group Member is a party and must use reasonable endeavours to enforce all standstill, non-disclosure, non-solicit and similar covenants in any agreement to which any Group Member is a party.

### **9.2 No shop restriction**

During the Exclusivity Period, each of PNX and KIN must not, and must procure that each of its respective Representatives do not, directly or indirectly:

- (a) solicit, invite, encourage or initiate any Competing Proposal; or
- (b) assist, encourage, procure or induce any person to do any of the things referred to in clause 9.2(a) on its behalf; or
- (c) communicate any intention to do any of these things,

in relation to, or which may reasonably be expected to encourage or lead to the making of any inquiry, expression of interest, offer, proposal, discussion or other communication from any person in relation to an actual, proposed or potential Competing Proposal or which affects, prejudices or jeopardises or might reasonably be expected to affect, prejudice or jeopardise the completion of the Transaction.

### **9.3 No talk restriction**

Subject to clause 9.8, during the Exclusivity Period, each of PNX and KIN must not, and must procure that each of its respective Representatives do not, directly or indirectly:

- For personal use only
- (a) respond to, facilitate, negotiate or enter into or participate in negotiations, discussions or other communications with any Third Party;
  - (b) negotiate, accept or enter into, or offer or agree to negotiate or accept or enter into any agreement, arrangement or understanding;
  - (c) assist, encourage, procure or induce any person to do any of the things referred to in the preceding paragraphs of this clause 9.3 on its behalf; or
  - (d) communicate any intention to do any of these things,

in relation to, or which may reasonably be expected to lead to an actual, proposed or potential Competing Proposal or which may reasonably be expected to affect, prejudice or jeopardise the completion of the Transaction, and regardless of whether the Competing Proposal or potential Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by PNX or KIN or any of its respective Representatives or has been publicly announced.

#### **9.4 No due diligence restriction**

Subject to clause 9.8, during the Exclusivity Period, each of PNX and KIN must not, and must procure that each of its respective Representatives do not, directly or indirectly:

- (a) solicit, invite, initiate, encourage, facilitate or permit any Third Party (other than the other party) to undertake due diligence investigations on it, any Group Member, or their businesses and operations in connection with or with a view to obtaining or which would reasonably be expected to lead to such person formulating, developing or finalising, or assisting in the formulation, development or finalisation or announcement of, an actual, proposed or potential Competing Proposal;
- (b) make available to any Third Party, or cause or permit any Third Party (other than a Government Agency) to receive, any non-public information relating to it, or any Group Member, that may reasonably be expected to lead to such person formulating, developing or finalising, or assisting in the formulation, development or finalisation or announcement of, an actual, proposed or potential Competing Proposal; or
- (c) assist, encourage, procure or induce any person to do any of the things referred to in the preceding paragraphs of this clause 9.4 on its behalf.

#### **9.5 Notification obligations**

- (a) Subject to clause 9.8, during the Exclusivity Period a party must promptly notify the other party in writing if it, any Group Member or any of their respective Representatives becomes aware of:
  - (i) any approach, inquiry or proposal made to, and any attempt or any intention on the part of any person to initiate or continue any negotiations or discussions with it or any of its Representatives with respect to, or that could reasonably be expected to lead to, an actual, proposed or potential Competing Proposal or a transaction which would affect, prejudice or jeopardise the completion of the Transaction, whether unsolicited or otherwise;
  - (ii) any proposal whether written or otherwise made to it, any Group Member or any of their respective Representatives, in connection with, or in respect of any exploration or consummation of, an actual, proposed or potential Competing Proposal or a transaction which would affect, prejudice or jeopardise the completion of the Transaction, whether unsolicited or otherwise;

- (iii) any request for information relating to it, any Group Member or any of their respective businesses or operations or any request for access to the books or records of it or any Group Member, which it has reasonable grounds to suspect may relate to a current or future Competing Proposal or a transaction which would affect, prejudice or jeopardise the completion of the Transaction; or
  - (iv) any intention by it, any Group Member or any of their respective Representatives to provide any information relating to it, any Group Member or their respective businesses or operations to any person in connection with or for the purposes of a current or future Competing Proposal or a transaction which would affect, prejudice or jeopardise the completion of the Transaction.
- (b) Subject to clause 9.8, a notice given under clause 9.5(a) must be accompanied by, to the extent then known to the receiving party, the terms and conditions of any actual, proposed or potential Competing Proposal (including price, conditions precedent, timetable and break or reimbursement fee (if any) and the identity of the proponent of the Competing Proposal), or the transaction which would affect, prejudice or jeopardise the completion of the Transaction.
- (c) During the Exclusivity Period, a party must promptly provide the other party with:
  - (i) in the case of written materials, a copy of; or
  - (ii) in any other case, a written statement of,  
  
any material non-public information regarding the operations of its Group made available by it to any person in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal and which has not previously been provided to the other party.
- (d) Without limiting clauses 9.1, 9.2, 9.3, 9.4 and 9.8 if, during the Exclusivity Period a PNX Group Member or KIN Group Member (or any Representative of a PNX Group Member or a KIN Group Member) provides any information relating to its Group to any person in connection with or for the purposes of a Competing Proposal, it must promptly provide to the other party a complete copy of that information to the extent that the other party has not already received that information.

## 9.6 Response to Competing Proposal and Counter Proposal

- (a) If PNX or KIN is permitted by virtue of clause 9.8 to engage in activity that would otherwise breach any of clauses 9.2, 9.3 or 9.4, it must enter into a confidentiality agreement with the person who has made the applicable Competing Proposal or potential Competing Proposal on customary terms.
- (b) PNX or KIN may only enter into any agreement, commitment, arrangement or understanding relating to the Competing Proposal (other than a confidentiality agreement contemplated by clause 9.6(a)) if:
  - (i) the PNX IBC Directors or the KIN IBC Directors (as applicable) have made the determination contemplated by clause 9.8(b) in respect of that Competing Proposal;
  - (ii) it has given the other party written notice (**Relevant Notice**) of the proposal to enter into the relevant agreement, commitment, arrangement or understanding;

- (iii) it has given the other party all information that would be required by clause 9.5(b); and
  - (iv) where applicable, the PNX IBC Directors have made the determination contemplated by clause 9.8(b) in respect of that Competing Proposal after evaluation of any Counter Proposal and the exhaustion of KIN's rights under and in accordance with clause 9.6(d).
- (c) If PNX gives a Relevant Notice to KIN, KIN will have the right, but not the obligation, at any time during the period of 5 Business Days after the day on which KIN receives the Relevant Notice, to propose to amend the terms of the Transaction including by increasing the amount of consideration offered under the Transaction or proposing any other form of transaction (each a **Counter Proposal**).
- (d) If KIN provides a Counter Proposal to PNX:
- (i) the PNX IBC Directors must review the Counter Proposal in good faith; and
  - (ii) if the PNX IBC Directors determine that the Counter Proposal would be more favourable, or at least no less favourable, to PNX and the PNX Shareholders (other than the Excluded Shareholders) than the Competing Proposal (having regard to the matters noted in clause 9.8(b)), then PNX and KIN must use their best endeavours to agree the amendments to this Deed that are reasonably necessary to reflect the Counter Proposal and to enter into an amended Deed to give effect to those amendments and to implement the Counter Proposal, and the PNX IBC Directors must recommend the Counter Proposal to the PNX Shareholders and not recommend the applicable Competing Proposal.

## 9.7 Revisions to a Competing Proposal

Any material modification to any Competing Proposal will be deemed to make that proposal a new Competing Proposal in respect of which PNX or KIN (as applicable) must separately comply with its obligations under clauses 9.5 and 9.6.

## 9.8 Fiduciary exception

The restrictions in clauses 9.3 and 9.4 and the obligations in clause 9.5 do not apply to the extent they restrict PNX or KIN or any PNX IBC Director or KIN IBC Director (as applicable) from taking or refusing to take any action with respect to a Competing Proposal or potential Competing Proposal (in relation to which there has been no contravention of this clause 9) provided that:

- (a) the Competing Proposal or potential Competing Proposal is bona fide and is made by or on behalf of a person that the PNX IBC Directors or KIN IBC Directors (as applicable) consider is of sufficient commercial standing to implement the Competing Proposal; and
- (b) the PNX IBC Directors or the KIN IBC Directors (as applicable) have determined in good faith after consultation with its external legal and (if applicable) financial advisors that:
  - (i) the Competing Proposal is or may be expected to lead to a Superior Proposal;
  - (ii) the potential Competing Proposal may be expected to lead to a Superior Proposal if it were to be proposed; or



- (iii) failing to take the action or refusing to take the action (as the case may be) with respect to the Competing Proposal or potential Competing Proposal would be likely to constitute a breach of the fiduciary or statutory obligations of any member of the PNX IBC or the KIN IBC (as applicable).

## 9.9 Compliance with law

- (a) If it is finally determined by a court or the Takeovers Panel that the agreement by the parties under this clause 9 or any part of it:
  - (i) constituted, or constitutes, or would constitute, a breach of the fiduciary or statutory duties of the members of the PNX IBC or the KIN IBC;
  - (ii) constituted, or constitutes, or would constitute, 'unacceptable circumstances' within the meaning of the Corporations Act; or
  - (iii) was, or is, or would be unlawful for any other reason,then, to that extent (and only to that extent) PNX or KIN (as applicable) will not be obliged to comply with that provision of this clause 9.
- (b) The parties must not make or cause or permit to be made on their behalf, any application to a court or the Takeovers Panel for or in relation to a determination referred to in clause 9.9(a).

## 9.10 Legal advice

- (a) Each party represents and warrants to the other party that:
  - (i) prior to entering into this Deed it has received legal advice on this Deed and the operation of this clause 9; and
  - (ii) it and its directors consider this clause 9 to be fair and reasonable and that it is appropriate to agree to the terms in clause 9 in order to secure the significant benefits to it, and PNX and PNX Shareholders (in the case of PNX) or KIN and KIN Shareholders (in the case of KIN), resulting from the Transaction.

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## 10. Reimbursement of costs

### 10.1 Background to Reimbursement Fee

- (a) Each party acknowledges that, if they enter into this Deed and the Scheme is subsequently not implemented, KIN and PNX will incur significant costs, including significant opportunity costs.
- (b) In the circumstances referred to in clause 10.1(a), KIN and PNX have each requested provision be made for the payment outlined in clause 10.2 and 10.3 (as applicable), without which KIN and PNX (as applicable) would not have entered into this Deed or otherwise agreed to implement the Scheme.
- (c) PNX confirms that the PNX IBC has acknowledged that:
  - (i) it has received legal advice in relation to this Deed and the operation of this clause 10;
  - (ii) it believes the implementation of the Scheme will provide significant benefits to PNX and Scheme Participants, such that it is reasonable and appropriate

for PNX to agree to the Reimbursement Fee in order to secure KIN's participation in the Transaction; and

- (iii) the Reimbursement Fee represents a genuine and reasonable estimate of cost and loss that would be suffered by PNX if this Deed was entered into and the Scheme is subsequently not implemented.
- (d) KIN confirms that the KIN IBC has acknowledged that:
  - (i) it has received legal advice in relation to this Deed and the operation of this clause 10;
  - (ii) it believes the implementation of the Scheme will provide significant benefits to KIN and its shareholders, such that it is reasonable and appropriate for KIN to agree to the Reimbursement Fee in order to secure PNX's participation in the Transaction; and
  - (iii) the Reimbursement Fee represents a genuine and reasonable estimate of cost and loss that would be suffered by KIN if this Deed was entered into and the Scheme is subsequently not implemented.

## 10.2 Payment of the Reimbursement Fee by PNX

- (a) Subject to clause 10.6, PNX must pay the Reimbursement Fee to KIN, without set-off or withholding, if:
  - (i) **(change of PNX IBC recommendation)** prior to the earlier of the Effective Date or the End Date, any member of the PNX IBC withdraws or adversely modifies their support of the Scheme or their recommendation that PNX Shareholders (other than Excluded Shareholders) vote in favour of the Scheme, or makes a public statement indicating that they no longer support the Transaction or that they support a Competing Proposal, other than as a result of:
    - (A) any matter or thing giving PNX the right to terminate this Deed in accordance with clause 11.1(d);
    - (B) any member of the PNX IBC abstaining from making a recommendation to PNX Shareholders in accordance with clause 4.13(e); or
    - (C) the Independent Expert providing a report to PNX (either initially or in any updated report) which concludes that the Scheme is not in the best interests of PNX Shareholders (other than Excluded Shareholders) other than because of a Competing Proposal;
  - (ii) **(Competing Proposal completes)** during the Exclusivity Period, PNX or any of its Representatives, directly or indirectly, was aware of, becomes aware of or receives from a Third Party an approach in relation to an actual, proposed or potential Competing Proposal and that Competing Proposal (or any related Competing Proposal or Competing Proposal arising out of that Competing Proposal) is completed at any time prior to the first anniversary of the date of the public announcement of such Competing Proposal; or
  - (iii) **(PNX material breach)** KIN is entitled to terminate this Deed in accordance with clause 11.1(d) and has given the appropriate notice.

### 10.3 Payment of the Reimbursement Fee by KIN

- (a) Subject to clause 10.6, KIN must pay the Reimbursement Fee to PNX, without set-off or withholding, if:
- (i) **(KIN recommends Superior Proposal)** all of the following circumstances arise:
    - (A) a Competing Proposal for KIN is received or announced by a Third Party before the Second Court Date;
    - (B) the KIN IBC Directors concludes that that Competing Proposal is a Superior Proposal; and
    - (C) a majority of the KIN IBC Directors make a public statement to the effect that they no longer support the Transaction or that they support, endorse or otherwise wish to pursue the Superior Proposal;
  - (ii) **(Competing Proposal completes)** during the Exclusivity Period, KIN or any of its Representatives, directly or indirectly, was aware of, becomes aware of or receives from a Third Party an approach in relation to an actual, proposed or potential Competing Proposal and that Competing Proposal (or any related Competing Proposal or Competing Proposal arising out of that Competing Proposal) is completed at any time prior to the first anniversary of the date of the public announcement of such Competing Proposal; or
  - (iii) **(KIN material breach)** PNX is entitled to terminate this Deed in accordance with clause 11.1(d) and has given the appropriate notice.

### 10.4 Written demand by KIN or PNX

A party must pay the Reimbursement Fee to the other party within 10 Business Days after receiving a written demand from KIN or PNX (as applicable). The demand for payment of the Reimbursement Fee can only be made:

- (a) after the occurrence of an event referred to in clause 10.2 or 10.3 (as applicable); and
- (b) the Scheme fails to become Effective by the End Date or this Deed is terminated in accordance with its terms.

A party is only liable to pay the Reimbursement Fee once.

### 10.5 Nature of payment

The amount payable by a party under clause 10.2 or 10.3 (as applicable) is an amount to compensate the other party for:

- (a) advisory costs (including costs of advisors other than success fees);
- (b) costs of management and directors' time;
- (c) out-of-pocket expenses; and
- (d) reasonable opportunity costs incurred by the other party in pursuing the Scheme or in not pursuing other alternative acquisitions or strategic initiatives which the other party could have developed to further its business and objectives.

## 10.6 Compliance with law

- (a) No amount shall be payable by a party under clause 10.2 or 10.3 (as applicable) if the Scheme becomes Effective, notwithstanding the occurrence of any event in clause 10.2 or 10.3 (as applicable). To the extent that any amount has already been paid under clause 10.2 or 10.3 (as applicable) and the Scheme becomes Effective, such amount shall be immediately refunded to PNx or KIN (as applicable).
- (b) This clause 10 does not impose an obligation on a party to pay the Reimbursement Fee to the extent (and only to the extent) that the obligation to pay the fee:
- (i) constitutes unacceptable circumstances as declared by the Takeovers Panel; or
  - (ii) is held to be unenforceable by one party against another as determined by a court,
- after all proper avenues of appeal and review, whether judicial or otherwise, have been exhausted. The parties must take all reasonable steps to ensure that any such determination applies to the minimum extent possible.
- (c) The parties must not make or cause or permit to be made, any application to a court or the Takeovers Panel for or in relation to a determination referred to in clause 10.6(b).

## 10.7 Other claims

Where an amount becomes payable to a party under clause 10.2 or 10.3 (as applicable) and is actually paid, the amount of any loss or damage caused in relation to any breach by the other party shall be reduced by the amount paid under clause 10.2 or 10.3 (as applicable) to KIN or PNx (as applicable).

## 10.8 Limitation of liability

- (a) Subject to clause 10.8(b), but otherwise despite anything else in this Deed, to the maximum extent permitted by law, the maximum aggregate amount which a party is required to pay in relation to a breach of this Deed by a party is the Reimbursement Fee, and in no event will the aggregate liability of a party under or in connection with a breach of this Deed exceed the Reimbursement Fee.
- (b) The limit in clause 10.8(a) will not:
- (i) prevent KIN from recovering the actual costs it incurs in connection with this Deed and the Scheme (to the extent such costs exceed the Reimbursement Fee) if PNx has breached its obligations to register all transfers of Scheme Shares to KIN in accordance with clause 4.7(q)(ii); or
  - (ii) prevent PNx from recovering the actual costs it incurs in connection with this Deed and the Scheme (to the extent such costs exceed the Reimbursement Fee) if KIN has breached its obligations to provide the Scheme Consideration in accordance with clause 4.8(i).

In addition, nothing in this clause limits KIN's or PNx's (as applicable) liability for fraud or intentional or wilful breach of this Deed.

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## 11. Termination

### 11.1 When a party may terminate

This Deed may be terminated at any time before 8:00am on the Second Court Date by the provision of notice in writing to the other party:

- (a) **(Scheme Condition cannot be satisfied)** subject to clause 3.4, by either party, if, a Scheme Condition solely or jointly for its benefit cannot be satisfied and is not waived by the time required in this Deed for it to be satisfied or waived;
- (b) **(after End Date)** subject to clause 3.4, by either party, if the Effective Date has not occurred by the End Date;
- (c) **(Superior Proposal)** by either party, if:
  - (i) a Competing Proposal for the other of KIN or PNX is received; and
  - (ii) the KIN IBC or the PNX IBC (as applicable) publicly announces that it has determined that that Competing Proposal is a Superior Proposal,provided there has not been a material breach of the exclusivity obligations under clause 9 by the party purporting to terminate pursuant to this clause; or
- (d) **(termination for breach)**: by either party, if, a party is in breach of this Deed (including a breach of a PNX Representation and Warranty (in the case of PNX) or a KIN Representation and Warranty (in the case of KIN) and that breach is material in the context of the Scheme as a whole and subject to the qualifications in clauses 6.2 and 6.4) and that breach is not remedied by the defaulting party within 10 Business Days (or such shorter period ending on the Second Court Date) of receiving notice from the non-defaulting party of the details of the breach and its intention to terminate.

### 11.2 Termination by KIN

KIN may terminate this Deed, with immediate effect, at any time before 8:00am on the Second Court Date, by notice in writing to PNX, if:

- (a) a PNX IBC Director (including any new PNX IBC Director appointed after the date of this Deed):
  - (i) withdraws, changes or modifies their support of the Scheme or their recommendation that PNX Shareholders (other than Excluded Shareholders) vote in favour of the Scheme; or
  - (ii) recommends, endorses or supports any Competing Proposal for PNX; or
- (b) a Competing Proposal in respect of PNX is received or announced and the Competing Proposal requires as a condition that this Transaction not be implemented, and a majority of the PNX IBC Directors make a public statement to the effect that they no longer support this Transaction or that they recommend the Competing Proposal; or
- (c) a Third Party that does not have a 20% or more Relevant Interest in PNX at the date of this Deed obtains a Relevant Interest in PNX of 20% or more.

### 11.3 Termination by PNX

PNX may terminate this Deed, with immediate effect, at any time before 8:00am on the Second Court Date, by notice in writing to KIN, if:

- (a) a KIN IBC Director (including any new KIN IBC Director appointed after the date of this Deed) makes a public statement to the effect that they no longer support the Transaction or that they support, endorse or otherwise wish to pursue the Superior Proposal;
- (b) a Competing Proposal for KIN is publicly announced and the Competing Proposal requires as a condition that this Transaction not be implemented and a majority of the KIN IBC Directors make a public statement to the effect that they no longer support this Transaction or that they recommend the Superior Proposal; or
- (c) a Third Party that does not have a 20% or more Relevant Interest in KIN at the date of this Deed obtains a Relevant Interest in KIN of 20% or more.

### 11.4 Terminable in writing

This Deed is terminable if agreed to in writing by KIN and PNX.

### 11.5 Effect of termination

If this Deed is terminated by either party in accordance with this Deed, except if the termination results from a breach by either party of its obligations under this Deed, this Deed will become void and have no effect, without any liability or obligation on the part of any party, other than in relation to rights and obligations that accrued prior to termination and other than in relation to the provisions of this clause 11, and clauses 1, 6, 7, 10, 11, 12 and 13, which will remain in force after termination.

### 11.6 Termination

Where a party has a right to terminate this Deed, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other party stating that it terminates this Deed and the provision under which it is terminating the Deed.

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## 12. Confidentiality

The parties acknowledge and agree that:

- (a) they continue to be bound by the Confidentiality Deed after the Execution Date; and
- (b) the rights and obligations of the parties under the Confidentiality Deed survive termination of this Deed.

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## 13. General

### 13.1 No representations on reliance

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this Deed, except for representations or inducements expressly set out in this Deed and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this Deed, the

circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.

- (b) Each party acknowledges and confirms that it does not enter into this Deed in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this Deed.
- (c) Each party acknowledges and confirms that clauses 13.1(a) and 13.1(b) do not prejudice any rights a party may have in relation to information which has been filed by the other party with ASIC or ASX (as the case may be).

### **13.2 Stamp duty**

KIN must pay all stamp duties and any fines and penalties with respect to stamp duty in respect of this Deed, the Scheme or the steps to be taken under the Transaction Documents.

### **13.3 Costs and expenses**

Except as otherwise provided in the Transaction Documents, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution and performance of each Transaction Document and the proposed, attempted or actual implementation of the Transaction Documents and the Transaction.

### **13.4 GST**

- (a) Where under the terms of this Deed one party is liable to indemnify or reimburse another party in respect of any costs, charges or expenses, the payment shall include an amount equal to any GST (or other value added tax) thereon not otherwise recoverable by the other party, subject to that party using all reasonable endeavours to receive such amount of GST (or other value added tax) as may be practicable.
- (b) If any payment under or in connection with this Deed constitutes the consideration for a taxable supply for GST (or other value added tax) purposes, then in addition to that payment the payer shall pay an additional amount of consideration equal to the GST (or other value added tax) payable on the taxable supply.
- (c) Subject to clause 13.4(b) immediately above and unless otherwise expressly stated, all prices or other sums payable or consideration to be provided under or in accordance with this Deed are exclusive of GST (or other value added tax).

### **13.5 No merger**

The rights and obligations of the parties do not merge on completion of the Transaction. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transaction.

### **13.6 Consents**

Any consent referred to in, or required under, this Deed from any party may not be unreasonably withheld, unless this Deed expressly provides for that consent to be given in that party's absolute discretion.

### **13.7 Notices**

- (a) Any notice or other communication including, but not limited to, any request, demand, consent or approval, to or by a party under this Deed:
  - (i) must be in legible writing and in English;



- (ii) if the recipient is PNX, addressed in accordance with the following details or as specified to the sender by PNX by notice:

Address: **PNX Metals Limited**  
Level 1, 135 Fullarton Road  
Rose Park SA 5067

Attention: Graham Ascough

Email: [REDACTED]

- (iii) if the recipient is KIN, addressed in accordance with the following details or as specified to the sender by KIN by notice:

Address: **KIN Mining NL**  
342 Scarborough Beach Road  
Osborne Park WA 6017

Attention: Nicholas Anderson

Email: [REDACTED]

- (iv) must be signed by an officer of or under the common seal of the sender;
- (v) any such notice or communication is regarded as being given by the sender and received by the addressee:
  - (A) if by delivery in person, when delivered to the addressee;
  - (B) if by post, on delivery to the addressee; or
  - (C) if by email, when the email (including any attachment) comes to the attention of the addressee,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is regarded as received at 9.00 am on the following Business Day.

- (b) Any such notice or other communication can be relied upon by the addressee and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.
- (c) This clause 13.7 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

### 13.8 Governing law and jurisdiction

- (a) This Deed is governed by the laws of Western Australia.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia and courts competent to hear appeals from those courts.

### **13.9 Waivers**

- (a) Failure to exercise or enforce, a delay in exercising or enforcing, or the partial exercise or enforcement of any right, power or remedy provided by law or under this Deed by any party does not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this Deed.
- (b) Any waiver or consent given by any party under this Deed is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of any term of this Deed operates as a waiver of another breach of that term or of a breach of any other term of this Deed.

### **13.10 Variation**

This Deed may only be varied by document signed by or on behalf of each of the parties.

### **13.11 Assignment**

A party may not assign, novate, declare a trust over or otherwise transfer or deal with any of its rights or obligations under this Deed without the prior consent of the other party.

### **13.12 Acknowledgement**

Each party acknowledges that the remedy of damages may be inadequate to protect the interests of the parties for a breach of clause 9 and that a party is entitled to seek and obtain without limitation injunctive relief if the other party breaches clause 9.

### **13.13 No third party beneficiary**

This Deed shall be binding on and inure solely to the benefit of each party to it and each of their respective permitted successors and assigns, and nothing in this Deed is intended to or shall confer on any other person, other than the KIN Indemnified Parties and the PNX Indemnified Parties, to the extent set forth in clause 6, and any third party beneficiary rights.

### **13.14 Further action**

Each party will do all things and execute all further documents necessary to give full effect to this Deed.

### **13.15 Entire agreement**

To the extent permitted by law, in relation to its subject matter this Deed and the Confidentiality Deed:

- (a) embody the entire understanding of the parties, and constitutes the entire terms agreed by the parties; and
- (b) supersedes any prior written or other agreement of the parties.

To the extent that there is any inconsistency between this Deed and the Confidentiality Deed, this Deed prevails.

### **13.16 Counterparts**

- (a) This Deed may be executed in any number of counterparts.
- (b) All counterparts, taken together, constitute one instrument.

- (c) A party may execute this Deed by signing any counterpart.

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## Schedule 1 – Scheme of Arrangement



### Scheme of Arrangement

between

**PNX Metals Limited**  
ACN 127 446 271

and

**Holders of PNX Shares at the Record Date**

**Sydney**

Australia Square  
Level 42  
264 George Street  
Sydney NSW 2000

**Melbourne**

Level 33  
360 Collins Street  
Melbourne VIC 3000

**Brisbane**

Riverside Centre  
Level 19  
123 Eagle Street  
Brisbane QLD 4000

**Perth**

Central Park  
Level 48  
152-158 St Georges Terrace  
Perth WA 6000

**Newcastle**

Level 3  
21 Bolton Street  
Newcastle NSW 2300

Hamilton Locke Pty Ltd ACN 621 047 247  
Liability limited by a scheme approved under Professional Standards Legislation.

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## Parties

<b>PNX</b>	Name	PNX Metals Limited
	ACN	127 446 271
	Address	Level 1, 135 Fullarton Road Rose Park SA 5067
	Email	graham.ascough@pnxmetals.com.au
	Attention	Graham Ascough
<b>PNX Shareholders</b>	Each holder of PNX Shares at the Record Date	

## Background

- A. PNX is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.
- B. KIN is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.
- C. PNX and KIN have entered into the Scheme Implementation Deed, pursuant to which, amongst other things, PNX has agreed to propose and implement the Scheme, and each of PNX and KIN have agreed to take certain steps to give effect to the Scheme.

## Operative provisions

### 1. Definitions and interpretation

#### 1.1 Definitions

In this Scheme:

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context requires, the financial market that it operates.

**ASX Settlement** means ASX Settlement Pty Ltd (ACN 008 504 532).

**ASX Settlement Operating Rules** means ASX Settlement Operating Rules of ASX Settlement.

**Business Day** means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and ASX are open for trading.

**CHESS** means the Clearing House Electronic Sub-register System, which facilitates electronic security transfers in Australia, operated by ASX Settlement.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Court** means the Supreme Court of Western Australia or such other Court of competent jurisdiction under the Corporations Act agreed in writing by KIN and PNX.

**Deed Poll** means a deed poll under which KIN covenants in favour of the Scheme Participants to perform the obligations attributed to KIN under the Scheme.



**Effective** means when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

**Effective Date** means the date on which the Scheme becomes Effective.

**Encumbrance** means any security interest (within the meaning of section 9 of the Corporations Act) and any option, right to acquire, right of pre-emption, assignment by way of security, trust arrangement for the purpose of providing security, retention arrangement or other security interest of any kind, and any agreement to create any of the foregoing.

**End Date** means the date that is nine months after the date of the Scheme Implementation Deed or such other date as the parties may agree in writing.

**Excluded Shareholder** means any PNX Shareholder who is a member of the KIN Group or any PNX Shareholder who holds any PNX Shares on behalf of, or for the benefit of, any member of the KIN Group.

**Government Agency** means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

**Implementation Date** means the fifth Business Day following the Record Date, or such other date agreed to in writing by the parties.

**Ineligible Foreign Shareholder** means a PNX Shareholder whose address as shown in PNX Share Register is in a place which KIN reasonably determines is a place that it is unlawful, unduly onerous or impracticable to issue KIN Shares under the Scheme, provided that a PNX Shareholder whose address shown in PNX Share Register is within Australia, New Zealand, Germany, France, Switzerland, Luxembourg, the Republic of Panama, the Republic of Singapore, the Virgin Islands, United Arab Emirates and such other jurisdictions as agreed by KIN and PNX in writing, will not be an Ineligible Foreign Shareholder.

**KIN** means KIN Mining NL (ACN 150 597 541).

**KIN Group** means KIN and each of its Subsidiaries, and a reference to a 'KIN Group Member' or a 'member of the KIN Group' is to KIN or any of its Subsidiaries.

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

**KIN Share Register** means the register of members of KIN maintained in accordance with the Corporations Act.

**PNX** means PNX Metals Limited (ACN 127 446 271).

**PNX Registry** means Computershare Investor Services Pty Limited (ACN 078 279 277).

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

**PNX Shareholder** means a holder of a PNX Share.

**PNX Share Register** means the register of members of PNX maintained in accordance with the Corporations Act.

**Proceeds** has the meaning given to that term in clause 5.8(a)(iii).

**Record Date** means 5:00pm on the second Business Day after the Effective Date, or such other time and date as the parties agree in writing.

**Registered Address** means the address of the Scheme Participant shown in the PNX Share Register.

**Sale Agent** means the person appointed by KIN to sell the KIN Shares that would otherwise be issued to or for the benefit of Ineligible Foreign Shareholders under the terms of the Scheme.

**Scheme** means this scheme of arrangement under Part 5.1 of the Corporations Act between PNX and the Scheme Participants under which Scheme Participants will receive the Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by KIN and PNX.

**Scheme Consideration** means the consideration to be provided by KIN to each Scheme Participant for the transfer to KIN of each PNX Share, being one (1) KIN Share for every thirteen (13) PNX Shares held by a Scheme Participant as at the Record Date, subject to applicable rounding in accordance with this Scheme.

**Scheme Implementation Deed** means the scheme implementation deed between PNX and KIN dated on or about 12 April 2024.

**Scheme Meeting** means the meeting of PNX Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting. If a meeting of more than one class of PNX Shareholders is ordered by the Court, all references to "Scheme Meeting" will be interpreted as a reference to each or all of those meetings.

**Scheme Participant** means a holder of PNX Shares recorded in the PNX Share Register as at the Record Date (other than an Excluded Shareholder).

**Scheme Shares** means all PNX Shares held by the Scheme Participants as at the Record Date.

**Scheme Transfer** means, for each Scheme Participant, a duly completed and executed proper instrument of transfer of the Scheme Shares held by that Scheme Participant for the purposes of section 1071B of the Corporations Act, which may be a master transfer for all Scheme Shares.

**Second Court Date** means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme (as the context requires) is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.

**Second Court Hearing** means the hearing at which the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned for any reason adjourned hearing.

**Subsidiary** has the meaning given to that term in Division 6 of Part 1.2 of the Corporations Act, and **Subsidiaries** has a corresponding meaning.

**Trading Day** means a trading day (as defined in the ASX Listing Rules) other than a trading day in which trading in KIN Shares was either:

- (a) suspended from official quotation; or
- (b) halted,

for the duration of the day.

**Unclaimed Money Act** means the *Unclaimed Money Act 1990 (WA)*.

**1.2 Interpretation**

- (a) Unless the contrary intention appears, a reference in this Scheme to:
  - (i) this Scheme or another document includes any variation or replacement of it despite any change in the identity of the parties;
  - (ii) one gender includes the others;
  - (iii) the singular includes the plural and the plural includes the singular;
  - (iv) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Agency or other entity includes any other of them;
  - (v) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this Scheme and a reference to this Scheme includes any schedule or attachment;
  - (vi) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
  - (vii) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
  - (viii) money is to Australian dollars, unless otherwise stated; and
  - (ix) a time is a reference to Perth time unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
- (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this Scheme.
- (e) A provision of this Scheme must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this Scheme or the inclusion of the provision in this Scheme.

**1.3 Business Days**

- (a) If anything under this Scheme must be done on a day that is not a Business Day, it must be done instead on the next Business Day.
- (b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

**1.4 Parties**

- (a) If a party consists of more than one person, this Scheme binds each of them separately and any two or more of them jointly.
- (b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.
- (c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

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## **2. Preliminary**

### **2.1 PNX**

PNX is a public company incorporated in Australia and registered in South Australia and is a company limited by shares. PNX is admitted to the official list of ASX and its shares are officially quoted on the securities market conducted by ASX. Its registered office is at Level 1, 135 Fullarton Road, Rose Park, South Australia, 5067.

### **2.2 KIN**

KIN is a public company incorporated in Australia and registered in Western Australia and is a company limited by shares. KIN is admitted to the official list of ASX and its shares are officially quoted on the securities market conducted by ASX. Its registered office is at 342 Scarborough Beach Road, Osborne Park WA 6017.

### **2.3 Scheme Implementation Deed**

KIN and PNX have agreed, by executing the Scheme Implementation Deed, to implement the terms of the Scheme and to perform their respective obligations under the Scheme in accordance with the terms of the Scheme Implementation Deed. Under the Scheme Implementation Deed, KIN irrevocably guarantees the due and punctual performance of all of its obligations under or in connection with the Scheme.

### **2.4 Deed Poll**

KIN has executed the Deed Poll in favour of Scheme Participants pursuant to which KIN has covenanted to perform its obligations under the Scheme, including to provide to each Scheme Participant the Scheme Consideration to which the Scheme Participant is entitled under the Scheme, and to carry out its other obligations under the Scheme Implementation Deed and do all things necessary or expedient on its part to implement the Scheme.

### **2.5 Effect of the Scheme**

If the Scheme becomes Effective, but subject to clauses 3.1, 3.4, 3.5 and 3.6 then:

- (a) KIN will provide to each Scheme Participant the Scheme Consideration in accordance with the terms of the Scheme and the Deed Poll;
- (b) subject to KIN's compliance with its obligations in clause 2.5(a), all of the Scheme Shares will be transferred to KIN; and
- (c) PNX will enter the name and address of KIN in the PNX Share Register as the holder of the Scheme Shares transferred to KIN in accordance with the terms of the Scheme and the Deed Poll.



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### **3. Conditions**

#### **3.1 Conditions of the Scheme**

The Scheme is conditional upon and will have no force or effect until the satisfaction of each of the following:

- (a) as at 8.00am on the Second Court Date, each condition precedent in clause 3.1 of the Scheme Implementation Deed having been satisfied or (if permitted) waived (other than the conditions in clauses 3.1(f) and 3.1(g) of the Scheme Implementation Deed);
- (b) as at 8.00am on the Second Court Date, the Scheme Implementation Deed not having been terminated in accordance with its terms;
- (c) as at 8.00am on the Second Court Date, the Deed Poll not having been terminated in accordance with its terms;
- (d) approval of the Scheme by the Court pursuant to section 411(4)(b) of the Corporations Act having been obtained and if applicable, PNK and KIN having accepted in writing any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act;
- (e) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme and agreed to by PNK and KIN having been satisfied or waived; and
- (f) the orders of the Court made under section 411(4)(b) (and if applicable, section 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to section 411(10) of the Corporations Act on or before the End Date (or any later date KIN and PNK agree in writing).

#### **3.2 Effect of conditions**

The fulfilment of the conditions in clause 3.1 is a condition precedent to the operation of the provisions of clauses 4, 5, 6, and 7 of this Scheme.

#### **3.3 Certificate**

- (a) At the Second Court Hearing, each of PNK and KIN must provide a certificate (or such other evidence as the Court requests) to the Court confirming (in respect of matters within their knowledge) whether or not all the conditions in clauses 3.1(a), 3.1(b) and 3.1(c) of this Scheme have been satisfied or waived as at 8.00am on the Second Court Date.
- (b) The certificate referred to in this clause 3.3 will constitute conclusive evidence (in the absence of manifest error) of whether the conditions in clauses 3.1(a), 3.1(b) and 3.1(c) have been satisfied or waived as at 8.00am on the Second Court Date.

#### **3.4 Termination of Scheme Implementation Deed**

Without limiting any rights under the Scheme Implementation Deed, if the Scheme Implementation Deed is terminated in accordance with its terms before 8.00am on the Second Court Date, PNK and KIN are each released from:

- (a) any further obligation to take steps to implement the Scheme; and
- (b) any liability with respect to the Scheme,

provided that PNX and KIN retain the rights they have against each other in respect of any prior breach of the Scheme Implementation Deed.

### **3.5 Effective Date**

Subject to clause 3.4, the Scheme will take effect on the Effective Date.

### **3.6 End Date**

The Scheme will lapse and be of no further force or effect if the Effective Date has not occurred on or before the End Date.

---

## **4. Implementation of the Scheme**

### **4.1 Lodgement of Court order**

On the Business Day following the approval of the Scheme by the Court in accordance with section 411(4)(b) of the Corporations Act, PNX will lodge with ASIC an office copy of the Court order in accordance with section 411(10) of the Corporations Act.

### **4.2 Transfer of Scheme Shares**

On the Implementation Date, in consideration for and subject to the provision by KIN of the Scheme Consideration in accordance with clause 5, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at that date, will be transferred to KIN without the need for any further acts by any Scheme Participant (other than acts performed by PNX as attorney and agent for Scheme Participants under clause 6.3) by:

- (a) PNX duly executing and delivering to KIN a Scheme Transfer for all of the Scheme Shares, executed by PNX as attorney for Scheme Participants; and
- (b) KIN duly executing and delivering the Scheme Transfer back to PNX.

### **4.3 Transfer documentation**

As soon as practicable after receipt by PNX of the Scheme Transfer duly executed by KIN as transferee pursuant to clause 4.2(b) and subject to the Scheme Consideration being issued by KIN in accordance with clause 5, but in any event on the Implementation Date, PNX must register KIN in the PNX Share Register as the holder of all of the Scheme Shares.

### **4.4 Provision of Scheme Consideration**

In consideration for the transfer of each Scheme Share to KIN, KIN must, on the Implementation Date, issue to each Scheme Participant the number of KIN Shares due to that Scheme Participant as Scheme Consideration in accordance with, and subject to, the terms of this Scheme and the Deed Poll.

### **4.5 Beneficial entitlement by KIN**

From the time of the provision of the Scheme Consideration to Scheme Participants in accordance with clause 4.4, KIN will be beneficially entitled to the Scheme Shares (together with all rights and entitlements attached to the Scheme Shares as at the Implementation Date) to be transferred to it under the Scheme pending the registration of KIN in the PNX Share Register as the holder of the Scheme Shares.

#### **4.6 Enforcement of Deed Poll**

PNX undertakes in favour of each Scheme Participant to enforce the Deed Poll against KIN on behalf of and as agent for the Scheme Participants.

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### **5. Scheme Consideration**

#### **5.1 Entitlement to Scheme Consideration**

On the Implementation Date, in consideration for the transfer to KIN of the Scheme Shares, each Scheme Participant will be entitled to receive the Scheme Consideration in accordance with, and subject to the terms of this Scheme and the Deed Poll.

#### **5.2 Provision of Scheme Consideration**

KIN will issue to each Scheme Participant the number of KIN Shares due to that Scheme Participant as consideration under the Scheme by:

- (a) on the Implementation Date, issuing each Scheme Participant the Scheme Consideration for every Scheme Share registered in the Scheme Participant's name in the PNX Share Register at the Record Date, which obligation will be satisfied by causing the name and Registered Address (at the Record Date) of the Scheme Participant to be entered into KIN's Share Register as the holder of KIN Shares issued to that Scheme Participant; and
- (b) within 10 Business Days after the Implementation Date, procuring the dispatch to that Scheme Participant, if their KIN Shares are held on the issuer sponsored sub-register of KIN, to their Registered Address (as at the Record Date), an uncertified holding statement in the name of the Scheme Participant relating to the number of KIN Shares issued to that Scheme Participant.

#### **5.3 Status of KIN Shares**

The KIN Shares to be issued in accordance with this Scheme will:

- (a) be validly and duly issued in accordance with all applicable laws and KIN's certificate of incorporation, by-laws and other constituent documents;
- (b) be fully paid;
- (c) be free from all Encumbrances;
- (d) rank equally in all respects with all other KIN Shares then on issue (other than in respect of any dividend already declared and not yet paid by KIN, where the record date for entitlement to that dividend occurred prior to the Implementation Date); and
- (e) be entitled to participate in and receive any dividends or distribution of capital paid and any other entitlements accruing in respect of KIN Shares on and from the Implementation Date.

#### **5.4 Quotation of KIN Shares**

KIN will use its best endeavours to procure that the KIN Shares issued as Scheme Consideration to Scheme Participants are quoted on ASX as soon as reasonably practicable after the Implementation Date.



**5.5 Joint holders**

In the case of Scheme Shares held in joint names:

- (a) the KIN Shares to be issued under this Scheme must be issued to and registered in the names of the joint holders and any uncertificated holding statements for KIN Shares to be issued to Scheme Participants will be issued in the names of the joint holders and will be forwarded to the holder whose name appears first in the PNX Share Register on the Record Date;
- (b) any cheque required to be sent under this Scheme will be made payable to the joint holders and forwarded to the holder whose name appears first in the PNX Share Register on the Record Date; and
- (c) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the PNX Share Register on the Record Date.

**5.6 Scheme Participants bound**

Each Scheme Participant who is to receive KIN Shares under this Scheme agrees (for all purposes, including section 231 of the Corporations Act) to:

- (a) become a shareholder of KIN and to accept the KIN Shares issued to them under this Scheme subject to, and to be bound by, KIN's constitution and other constituent documents; and
- (b) have their name and Registered Address entered into the KIN Share Register.

**5.7 Rounding**

Where the calculation of the number of KIN Shares to be issued to a particular Scheme Participant (other than an Ineligible Foreign Shareholder) would result in the Scheme Participant becoming entitled to a fraction of a KIN Share, the entitlement will be rounded as follows:

- (a) if the fractional entitlement is less than 0.5, it will be rounded down; and
  - (b) if the fractional entitlement is equal to or more than 0.5, it will be rounded up,
- to the nearest whole number of KIN Shares.

**5.8 Ineligible Foreign Shareholders**

- (a) KIN will be under no obligation under this Scheme to issue, and will not issue, KIN Shares to Ineligible Foreign Shareholders, and instead:
  - (i) KIN must appoint a Sale Agent acceptable to PNX (acting reasonably) at least two weeks prior to the Scheme Meeting (and if required by ASIC, such Sale Agent is to be approved by ASIC);
  - (ii) all KIN Shares which would otherwise be required to be issued to any Ineligible Foreign Shareholder under the Scheme, if they were eligible to receive them, will be issued to the Sale Agent;
  - (iii) KIN will procure that, as soon as reasonably practicable (and in any event not more than 20 Trading Days after the Implementation Date), the Sale Agent sells on ASX all KIN Shares issued to the Sale Agent pursuant to clause 5.8(a)(ii) in such manner, at such price and on such other terms as the Sale Agent determines in good faith (and at the risk of the Ineligible Foreign

Shareholders), and remits to KIN the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**); and

- (iv) KIN will pay to each Ineligible Foreign Shareholder such fraction of the Proceeds as is equal to the number of KIN Shares which would have been issued to that Ineligible Foreign Shareholder (if they were eligible to receive KIN Shares) divided by the total number of KIN Shares issued to the Sale Agent under clause 5.8(a)(i), promptly after the last sale of the KIN Shares by the Sale Agent,

in full satisfaction of KIN's obligations to those Ineligible Foreign Shareholders under the Scheme in respect of the Scheme Consideration.

- (b) KIN will pay the relevant fraction of the Proceeds to each Ineligible Foreign Shareholder by either:
  - (i) dispatching, or procuring the dispatch, to that Ineligible Foreign Shareholder by prepaid post to that Ineligible Foreign Shareholder's Registered Address (at the Record Date), a cheque in the name of that Ineligible Foreign Shareholder; or
  - (ii) making a deposit in an account with any ADI (as defined in the *Banking Act 1959* (Cth)) in Australia notified by that Ineligible Foreign Shareholder to PNX (or the PNX Registry) and recorded in or for the purposes of the PNX Share Register at the Record Date,

for the relevant amount, with that amount being denominated in Australian dollars.

- (c) Each Ineligible Foreign Shareholder appoints PNX as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Sale Agent is required to provide to Ineligible Foreign Shareholders under the Corporations Act.

#### **5.9 Unclaimed monies**

- (a) KIN may cancel a cheque issued under clause 5.8(b)(i) if the cheque:
  - (i) is returned to KIN; or
  - (ii) has not been presented for payment within 6 months after the date on which the cheque was sent.
- (b) During the period of 18 months commencing on the Implementation Date, on request in writing from a Scheme Participant to KIN (or the KIN Share Registry) (which request may not be made until the date that is 20 Business Days after the Implementation Date), KIN must reissue a cheque that was previously cancelled under clause 5.9(a).
- (c) The Unclaimed Money Act will apply in relation to any Scheme Consideration that becomes "unclaimed money" (as defined in section 3 of the Unclaimed Money Act), but any interest or other benefit accrued from the unclaimed Scheme Consideration will be for the benefit of KIN.

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## **6. Scheme Participants**

### **6.1 Authority given to PNX**

Each Scheme Participant will be deemed (without the need for any further act) to have:

- (a) with effect on and from the Effective Date, irrevocably authorised PNX (and each of its directors and officers, jointly and each of them severally) as agent and attorney to do and execute all acts, matters, things and documents on the part of each Scheme Participant for the purposes of enforcing the Deed Poll against KIN on behalf of and as agent and attorney for each Scheme Participant; and
- (b) with effect on and from the Scheme Consideration being issued by KIN, irrevocably authorised PNX (and each of its directors and officers, jointly and each of them severally) as agent and attorney to do and execute all acts, matters, things and documents on the part of each Scheme Participant necessary to implement and give full effect to this Scheme and the transactions contemplated by it, including (without limitation):
  - (i) executing a proper instrument of transfer (including for the purposes of section 1071B of the Corporations Act) of their Scheme Shares in favour of KIN, which may be a master transfer of some or all Scheme Shares;
  - (ii) where Scheme Shares are held in a CHESS holding, causing a message to be transmitted to ASX Settlement in accordance with the ASX Settlement Operating Rules to transfer the Scheme Shares held by the Scheme Participant from the CHESS sub-register to the issuer sponsored sub-register operated by PNX and subsequently completing a proper instrument of transfer under paragraph 6.1(b)(i) above,

and PNX accepts each such appointment.

### **6.2 Appointment of sole proxy**

Upon the Scheme Consideration being issued by KIN, and until KIN is registered as the holder of all Scheme Shares in the PNX Share Register, each Scheme Participant:

- (a) is deemed to have appointed KIN as attorney and agent (and directed KIN in such capacity) to appoint any director, officer, secretary or agent nominated by KIN as its sole proxy and, where applicable, corporate representative, to attend meetings of PNX shareholders, exercise the votes attaching to the Scheme Shares registered in their name and sign any PNX shareholders' resolution, and no Scheme Participant may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to this clause 6.2(a)); and
- (b) must take all other actions in the capacity of a registered holder of Scheme Shares as KIN reasonably directs.

### **6.3 Appointment of PNX as sole attorney and agent**

Each Scheme Participant, without the need for any further act, irrevocably appoints PNX and each of the directors and officers of PNX, jointly and severally, as the Scheme Participant's attorney and agent for the purpose of executing any document necessary or expedient to give effect to the Scheme (including executing a Scheme Transfer and any instrument appointing KIN as sole proxy for or, where applicable, corporate representative of each Scheme Participant as contemplated by clause 6.2) or doing any other act necessary or desirable to give full effect to the Scheme and the transactions contemplated by it.

**6.4 Scheme Participant's consent**

Each Scheme Participant:

- (a) consents to PNX doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, incidental or expedient to the implementation and performance of the Scheme and PNX, as agent of each Scheme Participant, may sub-delegate its functions under this clause 6.4 to any of its directors and officers, severally; and
- (b) agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares to KIN, in accordance with the Scheme.

**6.5 Warranties by Scheme Participants**

- (a) Each Scheme Participant is deemed to have warranted to PNX, in its own right and for the benefit of KIN, that:
  - (i) to the maximum extent permitted by law, all of their Scheme Shares (including any rights and entitlements attaching to those shares as at the Implementation Date) which are transferred to KIN under the Scheme will, at the date of transfer, be transferred to KIN free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind, whether legal or otherwise (but acknowledging that a security interest holder may potentially have an interest in the Scheme Consideration in accordance with the terms of such security interest); and
  - (ii) they have full power and capacity to sell and transfer their Scheme Shares to KIN (including any rights and entitlements attaching to those shares).
- (b) PNX undertakes that it will provide the warranties in clause 6.5(a) to KIN as agent and attorney of each Scheme Participant. PNX will not be responsible for the accuracy or completeness of the warranties in clause 6.5(a)

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**7. Dealings in PNX Shares**

**7.1 Determination of Scheme Participants**

- (a) For the purpose of establishing the persons who are Scheme Participants, dealings in the Scheme Shares will only be recognised if:
  - (i) in the case of dealings of the type to be effected using CHESSE, the transferee is registered in the PNX Share Register as the holder of the relevant PNX Shares at the Record Date; and
  - (ii) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received on or before the Record Date at the place where the PNX Share Register is kept.
- (b) PNX must register registrable transmission applications or transfers of the kind referred to in clause 7.1(a)(ii) by the Record Date.
- (c) PNX will not accept for registration or recognise for any purpose any transmission applications or transfers in respect of PNX Shares received after the Record Date (or received prior to such times but not in registrable or actionable form), other than a transfer to KIN in accordance with the Scheme and any subsequent transfer by KIN, or its successors in title.



- (d) If the Scheme becomes Effective, a holder of PNX Shares (and any person claiming through that holder) must not dispose of or otherwise deal with, or purport to agree to dispose of or otherwise deal with, any PNX Shares or any interest in them after the Effective Date otherwise than pursuant to this Scheme and any such disposal, dealing or agreement will be void and of no legal effect whatsoever.

## **7.2 Maintenance of PNX Share Register**

- (a) For the purpose of determining entitlements to the Scheme Consideration, PNX will, until the Scheme Consideration has been provided, maintain the PNX Share Register in accordance with the provisions of this clause 7.2 and the PNX Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (b) All certificates and holding statements for Scheme Shares (other than holding statements in favour of KIN and its successors in title after the Implementation Date) will cease to have any effect from the Record Date as documents of title in respect of those Scheme Shares. Subject to provision of the Scheme Consideration by KIN and registration of the transfer to KIN of the Scheme Shares contemplated by clauses 5.1 and 5.2, after the Record Date, each entry current at that date on the PNX Share Register relating to Scheme Shares will cease to be of any effect other than as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

## **7.3 Information to be made available to KIN**

- (a) PNX will procure that, as soon as reasonably practicable after the Record Date, details of the names, Registered Addresses and holdings of Scheme Shares of every Scheme Participant as shown in the PNX Share Register as at the Record Date are made available to KIN in such form and manner as KIN reasonably requires.
- (b) Each Scheme Shareholder agrees that the information referred to in clause 7.3(a) may be disclosed to KIN, the KIN Share Registry and KIN's advisers and other service providers to the extent necessary to effect this Scheme.

## **7.4 Instructions and elections**

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Participant to PNX that are binding or deemed binding between the Scheme Participant and PNX relating to PNX or PNX Shares, including instructions, notifications or elections relating to:

- (a) whether dividends are to be paid by cheque or into a specific bank account;
- (b) payments of dividends on PNX Shares; and
- (c) notices or other communications from PNX (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by KIN in its sole discretion), by reason of the Scheme, to be made by the Scheme Participant to KIN and to be a binding instruction, notification or election to, and accepted by, KIN in respect of the KIN Shares issued to that Scheme Participant until that instruction, notification or election is revoked or amended in writing addressed to KIN at its registry.

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## **8. Notices**

### **8.1 General**

Any notice, transfer, transmission, application, direction, demand, consent or other communication (**Notice**) given or made under this document must be in writing in English and signed by the sender or a person duly authorised by the sender.

### **8.2 Communications by post**

- (a) Subject to clause 8.3, where a Notice referred to in this document is sent by post to PNX, it will not be deemed to have been received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at PNX's registered office or at the PNX Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a PNX Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### **8.3 After hours communications**

If a Notice is given:

- (a) after 5.00pm in the place of receipt; or
  - (b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,
- it is taken as having been given at 9.00am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

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## **9. General**

### **9.1 No liability when acting in good faith**

Neither KIN nor PNX nor any director, officer, secretary or employee of any of those companies will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll when the relevant entity or person has acted in good faith.

### **9.2 PNX and Scheme Participants bound**

The Scheme binds PNX and all Scheme Participants (including Scheme Participants who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme) and will, for all purposes, to the extent of any inconsistencies and permitted by law, have effect notwithstanding any provision in the constitution of PNX.

### **9.3 Further assurances**

Subject to clause 9.4, PNX will execute all documents and do all acts and things (on its own behalf and on behalf of each PNX Shareholder) necessary or expedient for the implementation of, and performance of its obligations under, the Scheme.

### **9.4 Alterations and conditions**

PNX may, with the consent of KIN, by its counsel consent on behalf of all Scheme Participants to any alterations or conditions which the Court thinks fit to impose and each Scheme Participant agrees, and will be deemed to have agreed, to such alterations or conditions which PNX has consented to on its behalf.

**9.5 Costs**

- (a) Any costs, and any stamp duty and any related fines, interest or penalties, which are payable on or in respect of this Scheme, the Deed Poll, the performance of the Deed Poll and each transaction effected by or made under or in connection with the Scheme or the Deed Poll will be paid as provided for in the Scheme Implementation Deed.
- (b) KIN indemnifies each Scheme Participant against any liability arising from its failure to comply with clause 9.5(a). For the avoidance of doubt, Scheme Participants do not have to pay any stamp duty, related fines, interest or penalties which are payable on or in respect of this document or any document referred to in this document.

**9.6 Governing law and jurisdiction**

- (a) This document and the Scheme are governed by and is to be construed in accordance with the laws applicable in Western Australia.
- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Western Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.



## Schedule 2 – Deed Poll



### Deed Poll

by

**KIN Mining NL**  
ACN 150 597 541

in favour and for the benefit of

**Holders of PNX Shares at the Record Date**

**Sydney**

Australia Square  
Level 42  
264 George Street  
Sydney NSW 2000

**Melbourne**

Level 33  
360 Collins Street  
Melbourne VIC 3000

**Brisbane**

Riverside Centre  
Level 19  
123 Eagle Street  
Brisbane QLD 4000

**Perth**

Central Park  
Level 48  
152-158 St Georges Terrace  
Perth WA 6000

**Newcastle**

Level 3  
21 Bolton Street  
Newcastle NSW 2300

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**Date:**

**Parties**

<b>KIN</b>	Name	<b>KIN Mining NL</b>
	ACN	150 597 541
	Address	342 Scarborough Beach Road Osborne Park WA 6017
	Email	<a href="mailto:n.anderson@kinmining.com.au">n.anderson@kinmining.com.au</a>
	Attention	Nicholas Anderson

**In favour of:** Each holder of PNX Shares at the Record Date

**Background**

- A. KIN and PNX have entered into the Scheme Implementation Deed.
- B. Pursuant to the terms of the Scheme Implementation Deed, PNX has agreed to propose and implement the Scheme.
- C. Under the Scheme, subject to the satisfaction or waiver of certain conditions precedent, all Scheme Shares held by Scheme Participants will be transferred to KIN for the Scheme Consideration.
- D. KIN enters into this deed to covenant in favour of Scheme Participants to perform its obligations under the Scheme and the Scheme Implementation Deed.

**Operative provisions**

**1. Definitions and interpretation**

**1.1 Definitions**

In this deed, words defined in the Scheme which are not separately defined in this deed have the same meaning when used in this deed and:

**First Court Date** means the first day on which an application made to the Court for an order under section 411(1) of the Corporations Act convening the Scheme Meeting is heard.

**Insolvency Event** means in respect of any person:

- (a) the person becoming unable to or states that it is unable to pay its debts as they fall due or stops or threatens to stop paying its debts as they fall due;
- (b) any indebtedness of the person becoming subject to a moratorium;
- (c) a liquidator, provisional liquidator or administrator has been appointed to the person, a controller (as defined in section 9 of the Corporations Act) has been appointed to any property of the person, or an event which gives any other person a right to seek such an appointment;

- (d) an order has been made, a resolution has been passed or proposed in a notice of meeting or in an announcement to any recognised securities exchange, or an application to a court has been made for the winding up or dissolution of the person or for the entry into of any arrangement, compromise or composition with, or assignment for the benefit of, creditors of the person or any class of them (other than frivolous or vexatious orders or applications);
- (e) a security interest (within the meaning of section 9 of the Corporations Act) becomes enforceable or is enforced over, or a writ of execution, garnishee order, mareva injunction or similar order has been issued over or affecting, all or a substantial part of the assets of the person; or
- (f) the person has otherwise become, or is otherwise taken to be, insolvent in any jurisdiction or an event occurs in any jurisdiction in relation to the person which is analogous to, or which has a substantially similar effect to, any of the events referred to in paragraphs (a) to (e) above.

**Scheme** means the scheme of arrangement under Part 5.1 of the Corporations Act between PNX and the Scheme Participants under which Scheme Participants will receive the Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by KIN and PNX.

### 1.2 Interpretation

Clauses 1.2 and 1.3 of the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

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## 2. Nature of deed poll

KIN acknowledges that:

- (a) this deed may be relied on and enforced by any Scheme Participant in accordance with its terms, even though Scheme Participants are not party to it; and
- (b) under the Scheme, each Scheme Participant irrevocably appoints PNX and each of the directors and officers of PNX, jointly and severally, as its agent and attorney, inter alia, to enforce this deed against KIN on behalf of that Scheme Participant.

---

## 3. Conditions precedent and termination

### 3.1 Conditions precedent

The obligations of KIN pursuant to this deed are subject to the Scheme becoming Effective.

### 3.2 Termination of deed

If:

- (a) the Scheme Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme does not become Effective on or before the End Date,

then KIN's obligations under this deed will automatically terminate and this deed will be of no further force or effect, unless KIN and PNX otherwise agree in writing.

### 3.3 Consequences of termination

If this deed is terminated under clause 3.2 then, in addition and without prejudice to any other rights, power or remedies available to the Scheme Participants:

- (a) KIN is released from any obligation to further perform this deed, other than clause 8.7; and
- (b) each Scheme Participant retains any rights, power or remedies it has against KIN in respect of any breach of this deed by KIN which occurred before the termination of this deed.

---

## 4. Scheme Consideration

### 4.1 Performance of obligations generally

Subject to clause 3, KIN must comply with its obligations under the Scheme Implementation Deed and must do all things necessary or desirable on its part to implement the Scheme.

### 4.2 Provision of Scheme Consideration

Subject to clauses 3 and 4.4, in consideration for the transfer of the Scheme Shares to KIN, KIN:

- (a) must acquire all of the Scheme Shares from Scheme Participants, in accordance with the provisions of the Scheme;
- (b) undertakes in favour of each Scheme Participant to issue and allot the Scheme Consideration to each Scheme Participant (other than to Ineligible Foreign Shareholders who will be dealt with in accordance with clause 4.4); and
- (c) undertakes in favour of each Scheme Participant to perform all other actions and obligations attributed to it under the Scheme and otherwise do all things necessary or expedient on its part to implement the Scheme.

### 4.3 Satisfaction of obligation to provide Scheme Consideration

The obligation of KIN to provide the Scheme Consideration referred to in clause 4.2(b) will be satisfied by KIN, by:

- (a) on the Implementation Date, entering in the register of members of KIN the name of each Scheme Participant, in relation to the KIN Shares issued to each Scheme Participant as Scheme Consideration in accordance with the Scheme; and
- (b) within 10 Business Days of the Implementation Date, dispatching to each Scheme Participant, if their KIN Shares are held on the issuer sponsored sub register of KIN, to his or her address as recorded in the PNX Share Register at the Record Date, an uncertificated holding statement in the name of that Scheme Participant representing the number of KIN Shares issued to that Scheme Participant.

### 4.4 Ineligible Foreign Shareholders

KIN will be under no obligation under the Scheme to issue, and will not issue, any KIN Shares to an Ineligible Foreign Shareholder, and instead where a Scheme Participant is an Ineligible Foreign Shareholder, the number of KIN Shares to which the Scheme Participant would otherwise be entitled will, on the Implementation Date, be allotted to a nominee appointed by KIN who will sell those KIN Shares as soon as practicable (at the risk of that Ineligible Foreign Shareholder) and pay the proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to that Ineligible Foreign Shareholder in full satisfaction of that Ineligible Foreign Shareholder's rights under the Scheme to Scheme Consideration.

**4.5 Joint holders**

In the case of Scheme Shares held by Scheme Participants in joint names:

- (a) any entry in the register of members of KIN required to be made must record the names and registered addresses of the joint holders; and
- (b) any uncertificated holding statement for KIN Shares must be issued to Scheme Participants in the names of the joint holders and must be forwarded to the holder whose name first appears in the PNX Share Register at the Record Date.

**4.6 New Shares to rank equally**

KIN covenants in favour of each Scheme Participants that the KIN Shares which are issued to each Scheme Participant in accordance with the Scheme will:

- (a) rank equally with all existing KIN Shares at the issue date; and
- (b) be issued fully paid and free from any Encumbrance.

---

**5. Quotation of KIN Shares**

KIN will use its best endeavours to procure that the KIN Shares are quoted on ASX as soon as reasonably practicable after the Implementation Date.

---

**6. Representations and warranties**

KIN represents and warrants in favour of each Scheme Participant, in respect of itself, that:

- (a) it is a company limited by shares and validly existing under the Corporations Act;
- (b) it has full legal capacity and power to enter into this deed and to carry out its obligations that this deed contemplates;
- (c) it has taken all corporate action that is necessary or desirable to authorise its entry into this deed and it carrying out the obligations this deed contemplates; and
- (d) this deed constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditor's rights generally) subject to any necessary stamping and will not conflict with or constitute a default under any provision of:
  - (i) any agreement or instrument to which it is a party;
  - (ii) its constitution; or
  - (iii) any law, order, judgment, award, injunction, decree, rule or regulation by which it is bound; and
- (e) it is not subject to an Insolvency Event.

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**7. Continuing obligations**

This deed is irrevocable and, subject to clause 3, remains in full force and effect until KIN has completely performed its obligations under this deed or the earlier termination of this deed under clause 3.



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**8. General**

**8.1 Notices**

- (a) Any notice or other communication in respect of this deed must be:
- (i) in writing and in the English language;
  - (ii) addressed to the address of the recipient in clause 8.1(d) or to any other address as the recipient may have notified the sender; and
  - (iii) be signed by the sender or by an authorised officer of the sender.
- (b) In addition to any other method of service authorised by law, the notice may be:
- (i) personally served on a party;
  - (ii) left at the party's current address for service;
  - (iii) sent to the party's current address for service by prepaid ordinary mail or if the address is outside Australia by prepaid airmail; or
  - (iv) sent by electronic mail to the party's electronic mail address.
- (c) If a notice is sent or delivered in the manner provided in clause 8.1(b) it must be treated as given to or received by the addressee in the case of:
- (i) delivery in person, when delivered;
  - (ii) delivery by post:
    - (A) in Australia to an Australian address, the second Business Day after posting; or
    - (B) in any other case, on the tenth Business Day after posting; or
  - (iii) electronic mail, when the sender's computer reports that the message has been delivered to the electronic mail address of the addressee,
- but if delivery is made after 5.00pm on a Business Day it must be treated as received on the next Business Day in that place.
- (d) KIN's details for service are, as at the date of execution of this deed and subject to clause 8.1(e) below:
- KIN:**
- Address: 342 Scarborough Beach Road  
Osborne Park WA 6017
- Email: [n.anderson@kinmining.com.au](mailto:n.anderson@kinmining.com.au)
- Attention: Nicholas Anderson
- (e) KIN may from time to time change its postal or email addresses for service by notice to each Scheme Participant or, if KIN is admitted to the official list of ASX at that time, by way of ASX announcement.



**8.2 Governing law and jurisdiction**

- (a) This deed is governed by and construed in accordance with the laws of Western Australia.
- (b) KIN irrevocably:
  - (i) submits to the non-exclusive jurisdiction of the courts of Western Australia and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed; and
  - (ii) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within paragraph 8.1(b)(i).

**8.3 Assignment**

- (a) The rights and obligations of KIN and each Scheme Participant under this deed are personal. They cannot be assigned, charged or otherwise dealt with without the prior consent of KIN and PNX.
- (b) Any purported dealing in contravention of clause 8.3(a) is invalid.

**8.4 Remedies cumulative**

The rights and remedies under this deed are cumulative and not exclusive of any rights or remedies provided by law.

**8.5 Severability**

If a provision of this deed is illegal, invalid, unenforceable or void in a jurisdiction it is severed for that jurisdiction and the remainder of this deed has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected.

**8.6 Further assurance**

KIN must promptly, at its own cost, do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed and the transactions contemplated by it.

**8.7 Duty**

KIN:

- (a) must pay all duty (including stamp duty) and any related fines, penalties and interest in respect of the Scheme and this deed (including without limitation the acquisition or transfer of Scheme Shares pursuant to the Scheme), the performance of this deed and each transaction effected by or made under or pursuant to the Scheme and this deed; and
- (b) indemnifies each Scheme Participant against any liability arising from failure to comply with clause 8.7(a).

**8.8 Variation**

- (a) A provision of this deed may not be varied, altered or otherwise amended unless:
  - (i) before the First Court Date, the variation, alteration or amendment is agreed to in writing by PNx and KIN (which such agreement may be given or withheld without reference to or approval by any PNx Shareholder); or
  - (ii) on or after the First Court Date, the variation, alteration or amendment is agreed to in writing by PNx and KIN and is approved by the Court (which such agreement may be given or withheld without reference to or approval by any PNx Shareholder), in which event KIN will enter into a further deed poll in favour of each Scheme Participant giving effect to the variation, alteration or amendment.

**8.9 Waiver**

- (a) KIN's waiver of a right under or relating to this deed, whether prospectively or retrospectively, is not effective unless it is in writing and signed by KIN.
- (b) A Scheme Participant's waiver of a right under or relating to this deed, whether prospectively or retrospectively, is not effective unless it is in writing and signed by the Scheme Participant granting that waiver.
- (c) No other act, omission or delay by KIN or a Scheme Participant will constitute a waiver of a right.

**8.10 Counterparts**

This deed may be executed in any number of counterparts each of which will be considered an original but all of which will constitute one and the same instrument.

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**Executed and delivered as a deed poll**

Signed, sealed and delivered by )  
**KIN Mining NL ACN 150 597 541** )  
pursuant to Section 127 of the )  
*Corporations Act 2001* (Cth): )

\_\_\_\_\_  
Signature of Director

\_\_\_\_\_  
Signature of Director/Secretary

\_\_\_\_\_  
Name of Director (print)

\_\_\_\_\_  
Name of Director/Secretary (print)

### Schedule 3 – Tenements

Lease	Holder	Status	Name
<b>Burnside Project</b>			
EL10012	PNX Metals 90%, NT Mining 10%	Renewal Lodged	Mt Ringwood
EL10347	PNX Metals 90%, NT Mining 10%	Granted	Golden Dyke
EL23431	PNX Metals 90%, NT Mining 10%	Granted	Thunderball
EL23536	PNX Metals 90%, NT Mining 10%	Granted	Brocks Creek
EL23540	PNX Metals 90%, NT Mining 10%	Granted	Jenkins
EL23541	PNX Metals 90%, NT Mining 10%	Granted	Cosmo North
EL24018	PNX Metals 90%, NT Mining 10%	Granted	Goldeneye
EL24051	PNX Metals 90%, NT Mining 10%	Granted	Margaret River
EL24058	PNX Metals 90%, NT Mining 10%	Granted	Yam Creek
EL24351	PNX Metals 90%, NT Mining 10%	Granted	McCallum Creek
EL24405	PNX Metals 90%, NT Mining 10%	Granted	Yam Creek
EL24409	PNX Metals 90%, NT Mining 10%	Granted	Brocks Creek South
EL24715	PNX Metals 90%, NT Mining 10%	Granted	Mt Masson
EL25295	PNX Metals 90%, NT Mining 10%	Granted	Margaret Diggings
EL9608	PNX Metals 90%, NT Mining 10%	Granted	Mt Bonnie
<b>3</b>			
EL25054	PNX Metals 90%, NT Mining 10%	Granted	Maud

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EL28902	PNX Metals 90%, NT Mining 10%	Granted	Maud
ML30293	PNX Metals 90%, NT Mining 10%	Granted	Chessman
<b>Exploration Licenses</b>			
EL28616	PNX Metals	Renewal Lodged	Moline
EL31099	PNX Metals	Granted	Bridge Creek
EL31893	PNX Metals	Granted	John's Hill
EL32489	PNX Metals	Granted	
EL33217	PNX Metals	Granted	
EL33476	PNX Metals	Application	
EL33477	PNX Metals	Application	
EL33478	PNX Metals	Application	
EL33479	PNX Metals	Granted	
EL33480	PNX Metals	Application	
EL33713	PNX Metals 90%, NT Mining 10%	Granted	
EL33718	PNX Metals 90%, NT Mining 10%	Application	
<b>Hayes Creek Project</b>			
ML30512	PNX Metals	Granted	Mt Bonnie
ML30589	PNX Metals	Granted	Mt Bonnie
MLN1033	PNX Metals	Granted	Mt Bonnie
MLN1039	PNX Metals	Granted	Mt Bonnie
MLN214	PNX Metals	Granted	Iron Blow
MLN341	PNX Metals	Granted	Iron Blow
MLN342	PNX Metals	Granted	Mt Bonnie
MLN343	PNX Metals	Granted	Iron Blow
MLN346	PNX Metals	Granted	Mt Bonnie
MLN349	PNX Metals	Granted	Iron Blow

MLN405	PNX Metals	Granted	Mt Bonnie
MLN459	PNX Metals	Granted	Mt Bonnie
MLN811	PNX Metals	Granted	Mt Bonnie
MLN816	PNX Metals	Granted	Mt Bonnie
EL10120	PNX Metals	Granted	Yam Creek
EL25120	PNX Metals	Granted	Kulbac
EL27363	PNX Metals	Granted	Jigsaw
EL25379	PNX Metals	Granted	Dowling
EL23509	PNX Metals	Granted	Corkscrew
ML29937	PNX Metals 80%, David Trow 20%	Granted	Yogi & D Page
ML29933	PNX Metals 80%, David Trow 20%	Granted	Yogi & D Page
<b>Other</b>			
MLN794	PNX Metals	Granted	Golden Dyke
MLN795	PNX Metals	Granted	Golden Dyke
ML30936	PNX Metals	Granted	Golden Dyke
ML33743	PNX Metals	Application	
<b>Fountainhead</b>			
ML31124	PNX Metals	Granted	Newmarket
MLN1020	PNX Metals	Granted	Newmarket
MLN4	PNX Metals	Granted	Newmarket
MLN1034	PNX Metals	Granted	Newmarket
<b>Mineral Leases</b>			
ML24173	PNX Metals	Granted	Moline
MLN1059	PNX Metals	Granted	Moline
MLN41	PNX Metals	Granted	Mt Evelyn
ML29679	PNX Metals	Granted	Glencoe

## Schedule 4 – Timetable

Event	Date
Announce Transaction	15 April 2024
Regulator's Draft provided to ASIC	Mid June 2024
First Court Hearing	Early July 2024
Scheme Booklet dispatched to Scheme Participants	Mid July 2024
Scheme Meeting	Mid August 2024
Second Court Hearing	Mid August 2024
Effective Date	Mid August 2024
Record Date	Mid August 2024
Implementation Date	Late August 2024

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## Schedule 5 – PNX Performance Rights

PNX Performance Rights		
Number	Expiry Date	Vesting Condition
21,250,000	20 December 2025	<p><b>Share Price Performance</b></p> <p>If PNX's share price increases by at least 100% based on a 12-month VWAP for a financial year under review during the term of the performance rights when compared to 12-month VWAP for the previous financial year.</p> <p>For reference the 12-month VWAP for a financial year ended 30 June 2022 was \$0.0062 (0.62 cents).</p>
21,250,000	20 December 2025	<p><b>Discovery/Acquisition</b></p> <p>If PNX substantially increases its resources by more than 200,000 oz gold equivalent in a Mineral Resource Estimate(s) reported in accordance with clause 50 of the JORC Code 2012, either through discovery, acquisition or increase of existing Mineral Resource Estimates.</p>
21,250,000	20 December 2025	<p><b>Financing:</b></p> <p>Upon the securing of a project financing package to fund the development of the Fountain Head and/or Hayes Creek Projects.</p>
21,250,000	20 December 2025	<p><b>Development Decision:</b></p> <p>If PNX secures all key requirements including financing package, permits and contracts to enable a development decision to proceed with construction of the Fountain Head and/or Hayes Creek Project.</p>
800,000	No expiry	<p><b>Project Financing (issued Feb 2017)</b></p> <p>Vest upon securing commitments to finance the full capital costs of the Hayes Creek Project as estimated in the DFS, at least 50% of which is project financing, within a reasonable period as determined by the Board, being at least 6 months after completion of the DFS</p>
<b>TOTAL: 85,800,000</b>		

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## Schedule 6 – KIN Representations and Warranties

KIN represents and warrants to PNX (in its own right and separately as trustee or nominee for each of the other PNX Indemnified Parties) that:

1. **Validly existing:** KIN is a validly existing corporation registered under the laws of Australia and that each KIN Group Member is a validly existing corporation under the laws of the country in which it was incorporated.
2. **Authority:** The execution and delivery of the Transaction Documents has been properly authorised by all necessary corporate action of KIN.
3. **Power:** KIN has full corporate power and lawful authority to execute, deliver and perform the Transaction Documents in accordance with their terms.
4. **Binding and enforceable:** The Transaction Documents constitute valid and binding obligations on KIN enforceable in accordance with their terms, subject to laws generally affecting creditors' rights and principles of equity.
5. **No default:** The Transaction Documents do not conflict with or result in the breach of or a default under:
  - (a) KIN's constitution; or
  - (b) any writ, order or injunction, judgement, law, rule or regulation to which it is party or by which it is bound.
6. **Capital structure:** KIN's capital structure including all issued securities as at the date of this Deed comprises 1,178,150,548 KIN Shares and, to avoid doubt, KIN has not issued or agreed to issue any other securities, options, warrants, rights or instruments which are still outstanding and may convert into KIN Shares.
7. **Continuous disclosure:** KIN:
  - (a) has complied in all material respects with its continuous disclosure obligations under Listing Rule 3.1; and
  - (b) other than for this Transaction, it is not relying on the carve-out in Listing Rule 3.1 to withhold any material information from public disclosure.
8. **Financial matters:**
  - (a) The KIN Financial Statements were prepared in accordance with applicable accounting principles, consistently applied, and fairly present in all material respects the consolidated financial condition of KIN at the respective dates indicated and the results of operations of KIN for the periods covered on a consolidated basis.
  - (b) No member of the KIN Group has any liability (including, without limitation, liabilities to fund any operations or work or exploration program, to give any guarantees or for taxes other than taxes not yet due), whether accrued, absolute, contingent or otherwise, not reflected in the KIN Financial Statements, except liabilities incurred in the ordinary course of business since 30 June 2023, which liabilities relate to budgeted expenditures disclosed to PNX or would not reasonably be expected to result in a KIN Material Adverse Change.
9. **KIN Diligence Materials:**

- (a) KIN has collated and prepared the KIN Diligence Materials in good faith for the purposes of a due diligence exercise by PNX and with all reasonable care and skill.
  - (b) To the best of the KIN Directors' knowledge, the documents contained in the KIN Diligence Materials do not, as of the date of the relevant document, contain an untrue statement of a material fact or omit to state a material fact required to be stated to prevent the statement made from being false or misleading in the circumstances in which it was made.
  - (c) KIN has not withheld from the KIN Diligence Materials any information that has been requested to be disclosed by PNX.
  - (d) KIN has not intentionally or recklessly withheld from the KIN Diligence Materials any information that is known, or ought reasonably to be known, to KIN and which is not publicly available and would reasonably be considered to be material to PNX in light of the Transaction.
  - (e) All of the existing employment agreements to which any member of the KIN Group is a party and which provide for a gross annual salary of \$200,000 or more, together with any arrangements in place with any financial advisor or consultants of any member of the KIN Group and which have (or may reasonably be expected to have) a value of \$200,000 in a 12 month period, have been fully and Fairly Disclosed to PNX.
10. **Restrictions on business activities:** To the best of the KIN Directors' knowledge, there is no agreement, judgment, injunction, order or decree binding on KIN or any member of the KIN Group or any business in which the KIN Group has an interest that has or would be likely to have the effect of prohibiting, restricting or materially impairing after the Effective Date any business of KIN or any member of the KIN Group or any business in which the KIN Group has an interest.
11. **Approvals:** To the best of the KIN Directors' knowledge, the members of the KIN Group have complied in all material respects with all Government Agencies having jurisdiction over them and have all material licences, environmental approvals, permits and other consents necessary for them to conduct their respective business as presently being conducted.
12. **Compliance with laws:** To the best of the KIN Directors' knowledge, the members of the KIN Group have complied in all material respects with the requirements imposed by any applicable mining, environmental, cultural heritage, health, safety and employment laws and regulations with respect to the KIN Tenements.
13. **Litigation:** To the best of the KIN Directors' knowledge:
- (a) there are no material actions, suits, arbitrations, legal or administrative proceedings pending or threatened against any material member of the KIN Group or any business in which the KIN Group has an interest;
  - (b) no material member of the KIN Group or any business in which the KIN Group has an interest is the subject of any material pending or material threatened investigation; and
  - (c) no material member of the KIN Group or any business in which the KIN Group has an interest nor the respective assets, properties or businesses of KIN or any material member of the KIN Group is subject to any judgement, order, writ, injunction or decree of any court, Government Agency or arbitration tribunal.

14. **Solvency:** Neither KIN nor any other material member of the KIN Group nor any business in which the KIN Group has an interest is affected by a KIN Insolvency Event.
15. **Scheme Booklet:** The KIN Information in the Scheme Booklet will:
- (a) be prepared and provided in good faith and on the understanding that each of the PNX Indemnified Parties will rely on that information to prepare the Scheme Booklet;
  - (b) not, at the date of the Scheme Booklet, contain any statement which is materially misleading or deceptive, including by way of omission; and
  - (c) comply with all applicable laws and ASIC Regulatory Guides applicable to schemes of arrangement.
16. **Independent Expert:** All information provided by or on behalf of KIN to the Independent Expert or the investigating accountant to enable their respective reports to be prepared will be provided in good faith and on the understanding that the Independent Expert and the investigating accountant will rely on that information for the purpose of preparing their respective reports for inclusion in the Scheme Booklet.
17. **New KIN Shares:** The new KIN Shares to be issued in accordance with the Transaction will be duly authorised and validly issued, fully paid and free of all Security Interests and third party rights and will rank equally with all other KIN Shares then on issue.

## Schedule 7 – PNX Representations and Warranties

PNX represents and warrants to KIN (in its own right and separately as trustee or nominee for each of the other KIN Indemnified Parties) that:

1. **Validly existing:** PNX is a validly existing corporation registered under the laws of Australia and that each PNX Group Member is a validly existing corporation under the laws of the country in which it was incorporated.
2. **Authority:** The execution and delivery of the Transaction Documents has been properly authorised by all necessary corporate action of PNX.
3. **Power:** PNX has full corporate power and lawful authority to execute, deliver and perform the Transaction Documents in accordance with their terms.
4. **Binding and enforceable:** The Transaction Documents constitute valid and binding obligations on PNX enforceable in accordance with their terms, subject to laws generally affecting creditors' rights and principles of equity.
5. **No default:** The Transaction Documents do not conflict with or result in the breach of or a default under:
  - (a) PNX's constitution; or
  - (b) any writ, order or injunction, judgement, law, rule or regulation to which it is party or by which it is bound.
6. **Capital structure:** PNX's capital structure including all issued securities as at the date of this Deed comprises:
  - (a) 5,495,624,719 PNX Shares; and
  - (b) 85,800,000 PNX Performance Rights,and, to avoid doubt, PNX has not issued or agreed to issue any other securities, options, warrants, rights or instruments which are still outstanding and may convert into PNX Shares, other than pursuant to the Silver Streaming Agreements.
7. **Placement capacity:** PNX has sufficient placement capacity under ASX Listing Rule 7.1 to issue, without the requirement to obtain the prior receipt of shareholder approval, any securities agreed to be issued (or that may be issued at the election of PNX) under the Silver Streaming Agreements.
8. **Directors' and Officers' Insurance:** To the best of the PNX Directors' knowledge, at all times up to and including the date of this Deed, PNX has, subject to the Corporations Act, maintained directors' and officers' insurance for each PNX Director against any liability incurred by the director as an officer of any member of the PNX Group.
9. **Continuous disclosure:** PNX:
  - (a) has complied in all material respects with its continuous disclosure obligations under Listing Rule 3.1; and
  - (b) other than for this Transaction, it is not relying on the carve-out in Listing Rule 3.1 to withhold any material information from public disclosure.

10. **Financial matters:**

- (a) The PNX Financial Statements were prepared in accordance with applicable accounting principles, consistently applied, and fairly present in all material respects the consolidated financial condition of PNX at the respective dates indicated and the results of operations of PNX for the periods covered on a consolidated basis.
- (b) No member of the PNX Group has any liability (including, without limitation, liabilities to fund any operations or work or exploration program, to give any guarantees or for taxes other than taxes not yet due), whether accrued, absolute, contingent or otherwise, not reflected in the PNX Financial Statements, except liabilities incurred in the ordinary course of business since 30 June 2023, which liabilities relate to budgeted expenditures disclosed to KIN or would not reasonably be expected to result in a PNX Material Adverse Change.

11. **PNX Diligence Materials:**

- (a) PNX has collated and prepared the PNX Diligence Materials in good faith for the purposes of a due diligence exercise by KIN and with all reasonable care and skill.
- (b) To the best of the PNX Directors' knowledge, the documents contained in the PNX Diligence Materials do not, as of the date of the relevant document, contain an untrue statement of a material fact or omit to state a material fact required to be stated to prevent the statement made from being false or misleading in the circumstances in which it was made.
- (c) PNX has not withheld from the PNX Diligence Materials any information that has been requested to be disclosed by KIN.
- (d) PNX has not intentionally or recklessly withheld from the PNX Diligence Materials any information that is known, or ought reasonably to be known, to PNX and which is not publicly available and would reasonably be considered to be material to KIN in light of the Transaction.
- (e) All of the existing employment agreements to which any member of the PNX Group is a party and which provide for a gross annual salary of \$100,000 or more, together with any arrangements in place with any financial advisor or consultants of any member of the PNX Group and which have (or may reasonably be expected to have) a value of \$100,000 in a 12 month period, have been fully and Fairly Disclosed to KIN.

12. **Restrictions on business activities:** To the best of the PNX Directors' knowledge, there is no agreement, judgment, injunction, order or decree binding on PNX or any member of the PNX Group or any business in which the PNX Group has an interest that has or would be likely to have the effect of prohibiting, restricting or materially impairing after the Effective Date any business of PNX or any member of the PNX Group or any business in which the PNX Group has an interest.

13. **Approvals:** To the best of the PNX Directors' knowledge, the members of the PNX Group have complied in all material respects with all Government Agencies having jurisdiction over them and have all material licences, environmental approvals, permits and other consents necessary for them to conduct their respective business as presently being conducted.

14. **Compliance with laws:** To the best of the PNX Directors' knowledge, the members of the PNX Group have complied in all material respects with the requirements imposed by any applicable mining, environmental, cultural heritage, health, safety and employment laws and regulations with respect to the PNX Tenements.

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15. **Litigation:** To the best of the PNX Directors' knowledge:
- (a) There are no material actions, suits, arbitrations, legal or administrative proceedings pending or threatened against any material member of the PNX Group or any business in which the PNX Group has an interest.
  - (b) No material member of the PNX Group or any business in which the PNX Group has an interest is the subject of any material pending or material threatened investigation.
  - (c) No material member of the PNX Group or any business in which the PNX Group has an interest nor the respective assets, properties or businesses of PNX or any material member of the PNX Group is subject to any judgement, order, writ, injunction or decree of any court, Government Agency or arbitration tribunal.
16. **Solvency:** Neither PNX nor any other material member of the PNX Group nor any business in which the PNX Group has an interest is affected by a PNX Insolvency Event.
17. **Scheme Booklet:** The PNX Information in the Scheme Booklet will:
- (a) be prepared in good faith and not, at the date of the Scheme Booklet, contain any statement which is materially misleading or deceptive, including by way of omission; and
  - (b) comply with all applicable laws and ASIC Regulatory Guides applicable to schemes of arrangement.



## Schedule 8 – PNX Performance Rights Valuation

Number	Expiry Date	Vesting Condition	Aggregate Value	Value per Performance Right
21,250,000	20 December 2025	<p><b>Share Price Performance</b></p> <p>If PNX's share price increases by at least 100% based on a 12-month VWAP for a financial year under review during the term of the performance rights when compared to 12-month VWAP for the previous financial year.</p> <p>For reference the 12-month VWAP for a financial year ended 30 June 2022 was \$0.0062 (0.62 cents).</p>	\$89,250	\$0.0042
21,250,000	20 December 2025	<p><b>Discovery/Acquisition</b></p> <p>If PNX substantially increases its resources by more than 200,000 oz gold equivalent in a Mineral Resource Estimate(s) reported in accordance with clause 50 of the JORC Code 2012, either through discovery, acquisition or increase of existing Mineral Resource Estimates.</p>	\$53,125	\$0.0025
21,250,000	20 December 2025	<p><b>Financing:</b></p> <p>Upon the securing of a project financing package to fund the development of the Fountain Head and/or Hayes Creek Projects.</p>	\$15,938	\$0.0008
21,250,000	20 December 2025	<p><b>Development Decision:</b></p> <p>If PNX secures all key requirements including financing package, permits and contracts to enable a development decision to proceed with construction of the Fountain Head and/or Hayes Creek Project.</p>	\$10,625	\$0.0005
800,000	No expiry	<p><b>Project Financing (issued Feb 2017)</b></p> <p>Vest upon securing commitments to finance the full capital costs of the Hayes Creek Project as estimated in the DFS, at least 50% of which is project financing, within a reasonable period as determined by the Board, being at least 6 months after completion of the DFS</p>	\$400	\$0.0005
<b>TOTAL: 85,800,000</b>			<b>\$169,338</b>	<b>-</b>

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**Executed as a Deed**

Executed by )  
**KIN Mining NL** )  
**(ACN 150 597 541)** pursuant to section 127 )  
of the *Corporations Act 2001* (Cth): )

[Signature of Nicholas Anderson]

\_\_\_\_\_  
Signature of Director

Nicholas Anderson

\_\_\_\_\_  
Name of Director (print)

[Signature of Joe Graziano]

\_\_\_\_\_  
Signature of Director/Secretary

Joe Graziano

\_\_\_\_\_  
Name of Director/Secretary (print)

Executed by )  
**PNX Metals Limited** )  
**(ACN 127 446 271)** pursuant to section 127 )  
of the *Corporations Act 2001* (Cth): )

[Signature of Graeme Ascough]

\_\_\_\_\_  
Signature of Director

Graeme Ascough

\_\_\_\_\_  
Name of Director (print)

[Signature of Katelyn Adams]

\_\_\_\_\_  
Signature of Director/Secretary

Katelyn Adams

\_\_\_\_\_  
Name of Director/Secretary (print)

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