



Our Ref: 201127JP:doo

16 June 2011

Company Secretary
Port Moresby Stock Exchange Limited
Level 4, Defens Haus
PORT MORESBY
National Capital District

Attention: Mr Vincent Ivosa

Dear Sir

KAML AGM – CHAIRMAN'S SPEECH

Please note that Kina Asset Management Ltd Annual General Meeting will be held today **(16 June 2011)** at **10.00am** at the Ela Beach Hotel.

We **attach** a copy of our Chairman's Speech which we submit to your office in compliance with POMSoX Listing Rule 3.13.3.

Yours faithfully
KINA ASSET MANAGEMENT LIMITED


Syd Yates OBE
Chief Executive Officer

attach



KAML 2011 Annual General Meeting

CHAIRMAN'S ADDRESS

Good Morning, shareholders, distinguished guest, ladies and gentlemen and thank you for your attendance at the third annual general meeting of our company Kina Asset Management Limited (KAML).

The third annual report for Kina Asset Management Limited provides shareholders with encouraging results and also forecasts in the detailed review, further insights by the companies in which we have invested.

KAML recorded a net profit after tax of K5.53 million its best result to date. KAML also recently declared and paid dividend of 5 toea per share following on from its maiden dividend of 4 toea per share in 2010.

We are also pleased that almost 50 per cent of our shareholders have participated into the recent Dividend Reinvestment Plan Scheme. It reflects the confidence that our investors have in the market and the management.

This is the long-term program that we will continue to offer to shareholders and we will be continuing to look for new opportunities to further improve your investment opportunities.

NTA is going strong as at end of April NTA is K1.10 per share.

We have determined a spread of investments in companies listed on Port Moresby Stock Exchange (POMSoX), Australian Stock Exchange (ASX) and also investments in a range of managed funds operating on the international markets. Our strategy at present has a 40/60 spread of domestic and international investment.

Our investment strategy is designed to provide a wide spread of investment to achieve positive returns and steady growth. We have achieved the benchmarks set out in our strategy and we will continue to expand to be in line with the current market situation.

In my formal comments in the circulated annual report, I did express a note of caution in regards to the lingering global uncertainty as the world economies continue to battle the issues for the Global Financial Crisis and an abnormal number of disastrous natural events.

It is important for us to understand, that despite very encouraging economic progress underway in PNG, there are significant effects on all economies in the Asia Pacific area which are still adversely impacting on northern hemisphere economies and therefore having a ripple effect on the rest of the world.

The economic opportunities in PNG will be significant and will mean that through royalties and investment, PNG will continue to prosper itself as an emerging nation, with new and growing opportunities.

We look forward to the Government implementing the promised Sovereign Wealth Fund which will ensure that PNG is able to build for the future with the royalties obtained from the success of the major developments underway now and in the future. PNG must be prepared to provide a responsible long term, management program for future generations

However I have warned in the formal report, that we must be mindful of the adverse impact of major economic growth on inflation and its effect.

The management of the PNG economy now and in future decades is the single biggest challenge for Government as it seeks to control the inflation rate and manage the higher expectations of the people.

You will recall at previous meeting that we have been very active in promoting the company's website as a source of information. Many Investors have shown keen interest in visiting the KAML website and registered to receive online information and participated in online voting. I am also pleased to advise that a significant number of the company shareholding voted online this year. I would encourage all shareholders who have not yet visited the KAML website to do so and to register their information online.

Finally, may I thank my fellow Directors, the entire team at KAML for their dedication and commitment to the ongoing challenges and opportunities associated with operating PNG's first listed Investment Fund, and the shareholders for your confidence in our company and for your enduring support.

Thank you.

Sir Rabbie Namaliu GCL, CSM, KCMG
Chairman



Further information contact:

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