

K&S CORPORATION LIMITED

ACN 007 561 837

K&S CORPORATION LIMITED NOTICE OF ANNUAL GENERAL MEETING

# notice of annual general meeting

## AND EXPLANATORY NOTES TO SHAREHOLDERS

### A PROXY FORM IS ALSO ENCLOSED

Please read the Notice and Explanatory Notes carefully

If you are unable to attend the Annual General Meeting of Shareholders, please complete and return the enclosed Proxy Form in accordance with the specified directions.

### NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of K&S Corporation Limited (the "Company") will be held at the corporate office of the Company's freight terminal located at 591 Boundary Road, Truganina, Victoria on Tuesday, 27 November 2018 at 2.00pm (EDST).

### AGENDA

#### Ordinary Business

##### 1 Financial Statements and Reports

To consider the Financial Statements and the Reports of the Directors and of the Auditors in respect of the year ended 30 June 2018.

[www.ksgroup.com.au](http://www.ksgroup.com.au)

##### 2 Remuneration Report

To adopt the Remuneration Report for the year ended 30 June 2018.

*Note, the resolution is advisory only and does not bind the Directors or the Company.*

##### 3 Election of Director

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

###### 3.1 Election of Mr GD Walters AM

"That the appointment of Mr Graham Douglas Walters AM as a director of the Company by the board of directors with effect on 22 May 2018 pursuant to Rule 73 of the Constitution of the Company be confirmed."

###### 3.2 Re-election of Mr AF Johnson

"That Mr Anthony Francis Johnson, being a director of the Company who retires by rotation pursuant to Rule 84 of the Constitution of the Company, and being eligible, is re-elected as a director of the Company."

### EXPLANATORY NOTES

Shareholders are referred to the Explanatory Notes accompanying and forming part of this Notice of Meeting.

### VOTING EXCLUSION STATEMENT

#### Resolution 2

In accordance with sections 250BD and 250R of the *Corporations Act 2001* (Cth), the Company will disregard any votes cast on "Resolutions 2" by the persons named in the Remuneration Report (ie, Messrs Johnson, Sarant, Winser, Smith, Walters, Walsh, Bright, and Hine) or their closely related parties.

Notwithstanding the foregoing, the Company need not disregard a vote cast on the Resolution by the named person or a closely related party of the named person if the vote is cast by that person as proxy for a person who is entitled to vote on the Resolution, in accordance with the directions on the proxy form.

If you complete a proxy form appointing the chairman of the meeting to vote on your behalf as proxy holder, and you do not mark any of the boxes, you provide express authority to the chairman to cast your votes. The chairman intends to vote undirected proxies in favour of Resolution 2.

### PROXY FORMS

A proxy form accompanies this Notice of Meeting and to be effective must be completed in accordance with the Explanatory Notes and received at the Company's registered office: The Company Secretary  
K&S Corporation Limited  
141-147 Jubilee Highway West  
Mount Gambier SA 5290  
or by facsimile on: (08) 8721 1799

by no later than 2.00 pm eastern daylight savings time on Sunday, 25 November 2018.

By Order of the Board



Chris Bright  
Company Secretary  
Dated: 5 October 2018

# explanatory notes

## FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING AND THE PROXY FORM

### Determination of Entitlement to Attend and Vote

For the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as shareholders as at 2 pm eastern daylight savings time on Sunday, 25 November 2018.

### Proxy Forms

- 1 In the case of joint shareholders, this form must be signed by each of the joint shareholders personally or by attorney.
- 2 A corporate shareholder must execute this form in accordance with its constitution or under the hand of its duly authorised attorney.
- 3 A member entitled to vote is entitled to appoint a maximum of two (2) proxies. Unless a member specifies the specific proportion or number of votes in respect of which each proxy is appointed, under the Constitution of the Company each proxy will be deemed to represent half of the votes that the member is entitled to cast. If the member wishes to appoint two (2) proxies, additional forms are available from the Company's registered office.
- 4 A proxy need not be a member of the Company.
- 5 Completed proxy forms should be returned to the Company Secretary at the Company's registered office shown on the proxy form. The Constitution of the Company requires that, to be effective, proxy forms together with any power of attorney under which they are executed must reach the Company not less than forty eight (48) hours before the commencement of the meeting. Alternatively the completed proxy forms can be sent by facsimile transmission to the Company on facsimile number (08) 8721 1799.

### Ordinary Business of the Annual General Meeting

The following notes set out the detail of the ordinary resolutions to be proposed at the Annual General Meeting:

#### Item 1 – Financial Statements and Reports

This item is self explanatory. It is intended to provide an opportunity for Shareholders at the Annual General Meeting to raise questions on the Financial Statements and Reports themselves and on the performance of the Company generally.

No formal vote is required in relation to item 1.

#### Item 2 – Resolution - Remuneration Report

During this item, there will be a reasonable opportunity for shareholders at the Annual General Meeting to comment on and ask questions about the Remuneration Report which commences on *page 20* of the Company's 2018 Annual Report.

The vote on the proposed resolution in item 2 is advisory only and will not bind the Directors or the Company. However, the Directors will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

In addition, pursuant to amendments to the *Corporations Act 2001 (Cth)* which took effect in 2011, if:

- at the Company's 2018 Annual General Meeting, at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against the adoption of the Remuneration Report; and
- at the Company's 2019 Annual General Meeting, again at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against the adoption of the Remuneration Report,

then at the Company's 2019 Annual General Meeting the Company must allow shareholders to vote on a resolution that:

- another general meeting (the "spill meeting") of the Company's shareholders be held within 90 days; and
- all of the Directors of the Company (other than the managing director who will remain in office) cease to hold office immediately before the end of the spill meeting; and
- resolutions to appoint persons to the offices (ie, as Directors) that will be vacated immediately before the end of the spill meeting be put to a vote at the spill meeting.

### **Voting Exclusion Statement**

A voting exclusion statement in respect of the resolution in item 2 is set out in the Notice of Meeting. As disclosed in the Notice of Meeting and the proxy form, if you complete a proxy form that authorises the chairman to vote on your behalf as proxy holder, and you do not mark any of the boxes so as to give him directions about how your votes should be cast, then your proxy will automatically become a directed proxy in favour of the resolution to adopt the Remuneration Report, and the chairman will vote accordingly.

If you wish to appoint the chairman as your proxy holder but you do not want to put him in a position to cast your votes in favour of the Remuneration Report, you should complete the appropriate box on the proxy form, directing him to vote against or abstain from voting on this resolution.

The directors recommend that shareholders vote in favour of the resolution in item 2.

### **Item 3 – Election of Director**

#### **Item 3.1 – Resolution - Election of Mr GD Walters AM**

Mr Walters was appointed as a non-executive director with effect on 22 May 2018. Mr Walters is a member of the Audit Committee.

Mr Walters is an experienced chartered accountant and director of successful public and private companies and associations, with extensive experience in accounting, finance, audit, risk management and corporate governance. Mr Walters is a former Chairman of Partners South Australia of KPMG and a former Chairman of Westpac South Australia.

Mr Walters is a Director of Adelaide Community Healthcare Alliance, Amtrade International Pty Ltd and Adelaide Development Company Ltd.

Mr Walters does not have a direct or indirect interest in any shares in the Company.

Mr Walters is 76.

Mr Walters is considered by the board of directors to be independent.

It is a requirement of the Constitution of the Company, the *Corporations Act 2001 (Cth)* and the ASX Listing Rules that a director appointed during the year must not hold office past the next annual general meeting without re-election by shareholders. Accordingly, Mr Walters, being eligible, offers himself for re-election.

The directors (excluding Mr Walters) recommend that shareholders vote in favour of the resolution in item 3.1.

#### **Item 3.2 – Resolution - Re-election of Mr AF Johnson**

Mr Johnson has been a director of the Company since 1986, is Chairman of the Company's Board of Directors, Chairman of the Company's Environmental Committee, and is also a member of the Company's Nomination and Remuneration Committee and Audit Committee.

Mr Johnson is a lawyer and an accredited mediator. Mr Johnson is a founder and former Chairman of the national law firm Johnson Winter & Slattery. Mr Johnson has worked extensively in the corporate advisory and disputes area.

Mr Johnson is Chairman of AA Scott Pty Ltd, the largest shareholder of the Company and Deputy Chairman of Adelaide Community Healthcare Alliance.

Mr Johnson has a beneficial interest in 522,232 shares in the Company.

Mr Johnson is 71.

Mr Johnson is not considered by the board of directors to be independent.

Mr Johnson retires by rotation in accordance with the Constitution of the Company and the ASX Listing Rules and, being eligible, offers himself for re-election.

The directors (excluding Mr Johnson) recommend that shareholders vote in favour of the resolution in item 3.2.

