



Kingfish Limited  
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Dear Shareholder,

On 19 April 2016 the Board announced an issue of new warrants which the Board believes will put Kingfish in a better position to grow further, provide additional liquidity, operate efficiently and pursue other capital structure initiatives as appropriate. Previous issues of warrants have been well received by Kingfish shareholders, and the new warrant issue provides an opportunity for our shareholders to participate in Kingfish's growth.

The warrants will be issued at no cost to shareholders<sup>1</sup> and in the ratio of one warrant for every four Kingfish shares held.

**You do not need to do anything to be issued warrants.** Computershare will send a statement informing you of your new warrant holding. This is expected to be on or about 16 May 2016.

Each warrant gives you the right but not the obligation to subscribe for one additional ordinary share in Kingfish. To exercise your warrants, you simply complete the Exercise Form and include payment of the Exercise Price. Note, the Exercise Date is not until 5 May **2017**, so you don't need to do anything now. We will contact you again before the Exercise Date and send you the Exercise Form then.

As long as you hold Kingfish shares at the Record Date (5.00pm on 9 May 2016), you will be entitled to receive one warrant for every four shares held (subject to the exception noted in 'Eligible shareholders' below). Each warrant will entitle you to subscribe for one fully paid ordinary share in Kingfish.

Warrants will only be issued to Kingfish shareholders with a registered address in New Zealand. Warrants which are attributable to overseas shareholders will be issued to a nominee who will endeavour to sell those warrants and hold the proceeds on trust and account to those shareholders on a pro-rata basis for the proceeds (net of costs).

The full terms of the warrants are set out in the schedule to this letter. The Board of Kingfish encourages you to read the terms in their entirety and discuss the terms with your financial adviser if you have any questions.

Number of warrants to be issued to each shareholder: One warrant for every four shares held by a shareholder at 5.00pm (New Zealand time) on the Record Date, 9 May 2016.

Eligible shareholders: Those persons with a registered address in New Zealand and who otherwise are registered shareholders at 5.00pm (New Zealand time) on the Record Date, 9 May 2016.

Warrants will only be issued to shareholders with a registered address in New Zealand.

Issue price of warrants: Nil

Expected allotment date of warrants: 10 May 2016

Exercise Price: The Exercise Price will be \$1.32 adjusted for dividends declared during the period up to the Exercise Date. The final Exercise Price will be calculated before the Exercise Date, and we will advise you at least 20 days before the Exercise Date.

As an example, if the warrants are allotted on 10 May 2016 and the aggregate amount of the quarterly dividends declared by Kingfish between 10 May 2016 and 5 May **2017** is 10 cents, then the Exercise Price would be \$1.22 (i.e. \$1.32 less \$0.10).

Exercise Date: 5 May **2017**

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<sup>1</sup> Kingfish itself will incur the costs of issuing and maintaining listing of the warrants.

How to exercise warrants:

You will need to return a completed Exercise Form (a form will be sent to you well before the Exercise Date) to Kingfish's share registrar by the Exercise Date, together with full payment of the Exercise Price for the warrants you wish to exercise.

If you do not exercise a warrant by 5.00pm (New Zealand time) on the Exercise Date in the manner described above, it will automatically lapse.

Trading of warrants:

The warrants are expected to be quoted on the Main Board (an equity security market operated by NZX) from 11 May 2016 under the issuer code KFLWD. The NZX Main Board is a licensed market regulated under the Financial Markets Conduct Act 2013. You can sell all or some of your warrants from the date of quotation on the Main Board up until 3 May 2017.

Application has been made to NZX for permission to quote the warrants. All the requirements of NZX relating to the application that can be complied with on or before the date of this letter have been duly complied with. NZX accepts no responsibility for any statement in this letter.


Rights of warrant holders:

A warrant does not entitle the holder to vote at a meeting of Kingfish shareholders, receive any dividends on shares or participate with shareholders (or the holders of any other securities) in the residual assets of Kingfish on liquidation.

As a warrant holder, you will receive all information provided by Kingfish to shareholders (including annual and half-yearly reports and notices of shareholder meetings) and you will be able to attend (but not vote at) any meeting of shareholders.

If you have any questions regarding the proposed issue of warrants, please contact the Kingfish office or your financial adviser.

Yours sincerely



Alistair Ryan  
Chairman  
**Kingfish Limited**