

The Manager
Companies Announcements Office
Australian Securities Exchange

05 June 2019

Dear Sir/Madam,

Submissions during EIS public consultation period

The Company (KPT) wishes to update the market following the conclusion of the public and agency consultation period for the Smith Bay Wharf Environmental Impact Statement (EIS) last week. This consultation process was run by the South Australian Department of Planning, Transport and Infrastructure (DPTI), under the direction of the Minister for Planning, and accredited by the Commonwealth Department of Environment.

The Company believes that the decision by DPTI to hold three public information sessions (rather than the statutory minimum of one) and to extend the formal public consultation period for nine weeks (rather than the minimum of six weeks) has benefited the community and, indeed, the project. It thanks those who attended the public information sessions in Kingscote, Parndana and Adelaide and all those who made written submissions. About 45 people attended the three public information sessions and over one thousand written submissions were received by DPTI. These have been provided to the Company.

Most of the submissions were web-based form letters, solicited by opponents of the development. In addition, many Kangaroo Island residents wrote individual letters of support. Several opponents of the development, both on and off the Island, wrote letters or made detailed submissions, a small number of which were critical of the Company, its staff, the timber industry, the Environmental Impact Statement, the South Australian government and indeed the whole development assessment process. Some negative submissions raised legitimate issues of concern, produced new evidence or identified opportunities for improvement. Some raised matters which are not relevant to the planning assessment or included claims that are inaccurate, misleading or lacking evidence. This range of submissions is to be expected for a major project.

It is not possible, in this announcement, to summarise all the submissions. However, based on its initial analysis and that of its specialist advisers, the Company does not believe that any of the issues raised in the public and agency consultation period should prevent the project from being approved in its current form. Most are already addressed in the EIS, although some may require additional scientific and engineering analysis.

The Company wishes to reaffirm its commitment to analyse and respond to all submissions, including those from government agencies, some of which are still to be submitted. The Company will do so constructively and respectfully, with a view to delivering the project in a

way that benefits the Island and the State, while protecting the environment and existing Island businesses.

The Major Development assessment pathway encourages projects to be modified and improved, particularly in the light of public and agency comments. The Company had already made design changes to reduce dredge quantities and to increase separation from sensitive receptors. It expects that, based on community and government feedback, it will make further refinements to the project, both to lessen impacts where possible and to increase the benefits of the proposal for the community and the environment.

The Company will provide a further update when it submits its formal response document, which is effectively a supplement to the original EIS, addressing all issues raised during the public consultation and setting out any project enhancements. This is the final step before the preparation, by DPTI, of the assessment report upon which the State and Commonwealth approval decisions are based.

Yours sincerely,



Ms Vicky Allinson
Company Secretary