

26 October 2023

The Manager
Market Announcements Office
ASX Limited
20 Bridge Street, Sydney NSW 200

ASX Announcement: KIL

Dear Sir/Madam,

- **Proposal to seek shareholder approval for voluntary delisting from ASX**
- **Proposal to seek shareholder approval for additional on-market share buy-back**

Kiland Limited (ACN 079 141 969) (ASX: KIL) (**Kiland** or the **Company**) announces that it has formally applied to the Australian Securities Exchange (**ASX**) requesting its removal from the official list of ASX (**Official List**) in accordance with ASX Listing Rule 17.11 (**Delist** or the **Delisting**). Following this application, the ASX has agreed to remove the Company from the Official List, subject to the satisfaction of certain conditions outlined below, including the Company obtaining Kiland shareholder approval for the Delisting.

The proposed Delisting will be put forward for Kiland shareholder approval presently expected as part of Kiland's annual general meeting to be held in accordance the Kiland AGM Notice of Meeting.

James Davies, Executive Chairman said:

"The Board has carefully considered this decision which it believes will maximise shareholder value over the medium term. The Board undertook an extensive exercise in assessing the best path forward and concluded that it is likely to obtain a higher price for the Company's assets and/or attract a larger pool of potential investors in an unlisted environment."

The Company is also pleased to offer the proposed on-market buyback as an opportunity for shareholders to realise liquidity in advance of the delisting, subject to shareholder approval."

Reasons for seeking removal and potential advantages

The Kiland board of directors (**Board**) considers the Delisting to be in the best interests of the Company and its shareholders.

The key reasons provided by the Board for requesting removal of the Company from the Official List, and the potential advantages of the Company being removed from the Official List, so far as the Board is concerned, are as follows.

(a) Liquidity

One of the principal purposes of a company being listed on the ASX is to provide a market for shareholders to trade shares, however share trading volumes in KIL shares (**Shares**) have been extremely low over the preceding 12 months as demonstrated in the table below and even lower trading volumes once the impact of its current on-market buy-back process has been excluded.

Month ending	Unadjusted Trading Volume (monthly)	Shares acquired under buy back	Adjusted Trading Volume (monthly)	% of Total Share on issue
30 September 2023	141,169	N/A	141,169	0.2%
31 August 2023	46,696	N/A	46,696	0.1%
31 July 2023	124,660	N/A	124,660	0.2%
30 June 2023	2,120,000	1,946,223	173,777	0.2%
31 May 2023	244,289	52,524	191,765	0.2%
30 April 2023	623,896	465,586	158,310	0.2%
31 March 2023	1,660,000	1,346,094	313,906	0.4%
28 February 2023	212,698	N/A	212,698	0.3%
31 January 2023	241,614	N/A	241,614	0.3%
31 December 2022	377,386	N/A	377,386	0.5%
30 November 2022	996,731	N/A	996,731	1.3%
31 October 2022	105,524	N/A	739,585	1.0%
Average				0.4%

Having regard to the circumstances set out in this announcement, the Board believes it is highly unlikely that there will be any meaningful improvement in the liquidity of Shares in the future.

(b) Opportunity to realise greater value for the Company's land assets in an unlisted environment

The Company's main asset is its agricultural land estate, which comprises 45 individual properties totalling approximately 25,584 hectares, of which approximately 18,648 hectares is agricultural land and 6,936 hectares of remnant vegetation. The Company is in the process of removing the fire-damaged tree crop from this land and reverting the land to a form suitable for traditional agricultural use.

The Board had undertaken an extensive exercise in assessing the best path forward to realise value in these assets for its Shareholders. It has concluded that this is likely to take the form of a sale or potential co-investment from a third-party investor and a return of capital to Shareholders.

Following extensive discussions with potential acquirers, investors and third-party advisers, the Board concluded that it is likely to obtain a higher price for these land assets and/or attract a larger pool of potential investors in an unlisted environment.

(c) Strategy not consistent with continued ASX listing

Ultimately, the opportunity to realise the greatest value of the Company's land assets is likely to result in the disposal of all of the Company's assets and the winding up of the corporate

group. A strategy that involves the sale and or winding down of the core business of the group is not consistent with an on-going ASX listing.

Conditions of ASX's agreement to Delist the Company

As mentioned, the Company has received notice from ASX of a decision (**ASX Decision**) that ASX has agreed to a formal request from the Company for the Delisting, subject to the Company's compliance with the following conditions:

- 1.1. The request for removal of the Company from the official list of ASX is approved by way of a special resolution of security holders of the Company.*
- 1.2. The notice of meeting seeking security holder approval for the Company's removal from the Official List of ASX must include, in form and substance satisfactory to ASX:*
 - 1.2.1. a timetable of key dates, including the time and date at which the Company will be removed from ASX if that approval is given;*
 - 1.2.2. details of the processes that will exist after the Company is removed from the Official List to allow holders to dispose of their holdings and how they can access those processes; and*
 - 1.2.3. the information prescribed in section 2.11 in Guidance Note 33.*
- 1.3. The removal from the official list must not take place any earlier than one month after security holder approval has been obtained so that security holders have at least that period to sell their securities on ASX should they wish to do so.*
- 1.4. The Company must apply for its securities to be suspended from quotation at least two (2) business days before its proposed removal date.*
- 1.5. The Company releases the full terms of this decision to the market upon making a formal application to ASX to remove the official list.*

The Company intends to fully comply with the above conditions (together, the **Conditions**).

The full text of the ASX Decision is set out in **Annexure B** to this announcement.

The purpose of the Condition that the Delisting must not take place any earlier than one month after Shareholder approval has been obtained is so that Shareholders have at least that period to sell their Shares on ASX should they wish to do so.

In accordance with paragraph 1.5 of the ASX Decision, the Company releases this announcement to the market.

Consequences of Delisting for the Company and its Shareholders

Some of the key consequences for the Company and Shareholders if the Company is removed from the Official List include the following:

Trading of Shares

- a) Following Delisting, the Shares will cease to be quoted on the ASX and Shareholders will no longer be able to sell their Shares and realise their investment in the Company via trading on ASX.

Sales via off-market transactions

- b) Following Delisting, the Shares will only be capable of sale via off-market private transactions, which will require Shareholders to identify and agree terms with potential purchasers of the Shares in accordance with the Constitution and the *Corporations Act 2001* (Cth) (**Corporations Act**). The Company does not have any present intention to list any securities of the Company on any securities exchange. The Company can provide no assurances or guarantees that a liquid market for Shares will exist.

Raising new capital

- c) As an unlisted public company, the Company will no longer be able to raise capital from the issue of securities to the public by means of a limited disclosure fundraising document. Should the Company seek to raise capital following Delisting, it will be required to offer its Shares pursuant to a full prospectus or by way of a disclosure exempt placement under section 708 of the Corporations Act, such as to sophisticated and institutional investors or for a "small scale offering", for which prospectus disclosure is not required.

Listing Rules

- d) The Company will no longer have to comply with the Listing Rules, including the following:
- i) the requirement under Listing Rule 7.1 to obtain prior approval of Shareholders for an issue of equity securities if the equity securities would, when aggregated with the ordinary securities issued by the Company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12-month period;
 - ii) the requirement to seek prior Shareholder approval for the issue of Shares to directors and other related parties as required under Listing Rule 10.11;
 - iii) the requirement to obtain Shareholder approval under Listing Rules 11.1 or 11.2 for changing the nature and scale of the Company's activities or disposing of its main undertaking;
 - iv) the requirement to prepare an audited Remuneration Report and have the Remuneration Report voted on by shareholders at an annual general meeting; and
 - v) the requirement for the Company to prepare a Corporate Governance Statement comparing its own corporate governance practices to the ASX Corporate Governance Principles and Recommendations.

Corporations Act 2001 (Cth)

- e) Although the Listing Rules will cease to apply to the Company if there is a Delisting, the Company will still be subject to the requirements of the Corporations Act and the Kiland constitution (**Constitution**), including the following:

i) Unlisted disclosing entity

For so long as the Company has 100 or more shareholders, it will be an "unlisted disclosing entity" under the Corporations Act. This means that it will still be required to make continuous disclosure of matters that a reasonable person would expect to have a material effect on the price or value of the Company's Shares, by filing notices with ASIC under section 675 of the Corporations Act.

As an unlisted disclosing entity, the Company will also still be required to lodge annual audited and half-yearly financial statements in accordance with the requirements of the Corporations Act.

The Company would continue to make its continuous disclosure notices and financial reports available to Shareholders on its website.

If the Company ceases to be an unlisted disclosing entity (by ceasing to have at least 100 shareholders), there will be no ongoing requirement to make continuous disclosure of matters under section 675 of the Corporations Act or to lodge half-yearly statements reviewed by an auditor. The Company would still however be required to prepare and lodge annual audited financial statements with ASIC.

ii) Chapter 6

For as long as the Company has more than 50 shareholders, it will continue to be subject to the "takeover" provisions in Chapter 6 of the Corporations Act and, as such, increases in voting power in the Company would continue to be regulated by Chapter 6 for Shareholders who hold between 20% and 90% of the voting power in the Company.

iii) Related party benefits

The restrictions on the giving of a financial benefit by the Company to a related party under Chapter 2E of the Corporations Act would continue to apply.

Constitution

- f) The Constitution will remain unchanged immediately following the Delisting. As such, Shareholders would continue to have the right to:
- i) exercise the voting rights attached to their Shares;
 - ii) receive notices of meetings and other notices issued by the Company; and
 - iii) receive dividends (if any) declared and payable by the Company from time to time.

Arrangements for Shareholders to sell Shares

a) Buy-back facility

The Company is currently running an on-market buy-back process and has already acquired a total of 3,810,427 Shares, or approximately 5% of its issued capital, since 9 March 2023 (i.e. the date the Company started such on-market buy-back process in the past 12 months). The on-market buy-back process has been paused while the Company considered the Delisting but can be resumed. The maximum number of Shares that may be acquired, consistent with the Company's existing authority under the '10/12 Limit' is 7,572,333 Shares. The Company intends, subject to Shareholder approval, to increase its capacity to buy back a maximum of 9,078,195 Shares (**Proposed On-Market Buyback**). Such existing on-market buy-back

process, and the Proposed On-Market Buyback, is to be open to all Shareholders and therefore both provide Shareholders with a liquidity opportunity.

b) How to sell securities before and after removal from the Official List

In accordance with paragraphs 1.2.2 and 1.2.3 of the ASX Decision, the Company notifies Shareholders that if they wish to sell their Shares on ASX, they will need to do so before the Company's suspension from trading (expected to be in effect from the close of trade on Thursday, 21 December 2023 pursuant to the proposed timetable in **Annexure A** below, after which trading of the Company's shares will be suspended prior to the Delisting.

Following the Delisting, Shares in the Company will only be capable of sale by private transaction and there will be no formal securities market or exchange in place to allow investors to dispose of their holdings following the Delisting. Shareholders wishing to trade their Shares will be entitled to transfer their Shares off-market to a willing third-party purchaser in accordance with the requirements of the Constitution and the Corporations Act. Shareholders can access a share transfer form at the following link: <https://www-au.computershare.com/Investor/Content/5de9f8c7-0d32-43cf-bc46-f459fa6515ff>

Timetable

Annexure A to this announcement sets out the proposed timetable for completion of the Delisting (including the satisfaction of the Conditions and the expected date for the Company's removal from the Official List).

The Delisting would not take place any earlier than one month after Shareholder approval has been obtained. Shares may continue to be traded on ASX up until close of trade on the date that is 2 trading days prior to the proposed Delisting date, after which trading will be suspended until the Delisting.

Kiland will notify Shareholders if the proposed timetable for completion of the Delisting changes.

Remedies shareholders may pursue

c) Part 2F.1 of the Corporations Act

In circumstances where a Shareholder considers the Delisting to be contrary to the interests of Shareholders as a whole, or oppressive to, unfairly prejudicial to, or discriminatory against a Shareholder or Shareholders, that Shareholder may apply to the court for an order under Part 2F.1 of the Corporations Act.

The court can make any order under section 233 of the Corporations Act that it considers appropriate in relation to the Company. This may include an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future.

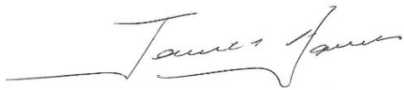
d) Part 6.10 Division 2 Subdivision B of the Corporations Act

In circumstances where a Shareholder considers that the Delisting involves "unacceptable circumstances", that Shareholder may apply to the Takeovers Panel to make a declaration of unacceptable circumstances or orders under Part 6.10 Division 2 Subdivision B of the Corporations Act (see also *Guidance Note 1: Unacceptable Circumstances* issued by the Takeovers Panel).

Pursuant to section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable under section 657A of the Corporations Act, it may make any order (except for an order directing a person to comply with a requirement of Chapter 6, 6A, 6B or 6C of the Corporations Act) that it thinks appropriate to (among others) protect the rights or interests of any person or group of persons where it is satisfied that those rights or interests have been or are being affected, or will be or are likely to be affected, by the circumstances.

This announcement has been authorised for ASX release by the Board.

Yours faithfully,



Mr James Davies
Executive Chairman
Kiland Limited

Annexure A**Proposed timetable for Delisting**

4 October 2023	ASX confirmed Delisting in-principle
26 October	ASX Delisting confirmation received
26 October 2023	ASX announcement of formal application to Delist (this announcement)
27 October 2023	Issue Notice of Meeting
28 November 2023	Shareholder meeting to approve Delisting (the AGM)
21 December 2023	Suspension from quotation
29 December 2023	Company removed from the Official List

Annexure B

ASX Decision

1. *Based solely on the information provided, ASX Limited ('ASX') agrees to the removal of Kiland Ltd (the 'Company') from the official list of ASX on a date to be determined by ASX in consultation with the Company, subject to compliance with the following conditions:*
 - 1.1. *The request for removal of the Company from the official list of ASX is approved by way of a special resolution of security holders of the Company.*
 - 1.2. *The notice of meeting seeking shareholder approval for the Company's removal from the official list of ASX must include, in form and substance satisfactory to ASX:*
 - 1.2.1. *a timetable of key dates, including the time and date at which the Company will be removed from ASX if that approval is given;*
 - 1.2.2. *details of the processes that will exist after the Company is removed from the Official List to allow holders to dispose of their holdings and how they can access those processes; and*
 - 1.2.3. *the information prescribed in section 2.11 in Guidance Note 33.*
 - 1.3. *The removal from the official list must not take place any earlier than one month after security holder approval has been obtained so that security holders have at least that period to sell their securities on ASX should they wish to do so.*
 - 1.4. *The Company must apply for its securities to be suspended from quotation at least two (2) business days before its proposed removal date.*
 - 1.5. *The Company releases the full terms of this decision to the market upon making a formal application to ASX to remove the Company from the official list.*
2. *ASX has considered Listing Rule 17.11 only and makes no statement as to the Company's compliance with other Listing Rules.*

Basis for Confirmation Decision

Listing Rule 17.11

3. *ASX may remove an entity from the official list at the request of an entity. Removal from the official list at an entity's request recognises that remaining listed may no longer be suitable for a listed entity at a particular stage in its existence. There is no requirement for ASX to act on the request. ASX's power not to agree to requests for delisting enables it to ensure that delisting is not sought for inappropriate reasons or conducted in a way that is clearly harmful to the market or to shareholders' legitimate interests. ASX may impose conditions on granting the request. The power to impose conditions enables ASX to ensure that an orderly market is maintained in the period leading up to the delisting, and that the listed entity makes appropriate arrangements in connection with its delisting. These conditions may include: (i) seeking shareholder approval for delisting by way of a special resolution; (ii) giving advanced notice of an amount of time which is adequate to the particular circumstances; or (iii) providing alternative arrangements for shareholders to exit their investment before or after delisting.*

Facts/Reasons for providing the Confirmation.

4. *The circumstances faced by the Company are those to which 2.7 of Guidance Note 33 applies. Where an entity requests removal from the official list of ASX and its ordinary securities are not readily able to be traded on another exchange, ASX will usually require the entity to obtain shareholder approval for removal from the official list by way of a special resolution.*

Conditions of waiver(s)

The confirmation is subject to certain conditions. Under Listing Rule 18.1, these conditions must be complied with for the waiver(s) to be effective.

ASX's power to vary or revoke waiver

It should be noted that under ASX Listing Rule 18.3, ASX may vary or revoke the waiver(s) at any time.