



All Registry Communications to:

PNG Registries Limited
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Papua New Guinea
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«Reg_Line_1»
«Reg_Line_2»
«Reg_Line_3»
«Reg_Line_4»
«Reg_Line_5»
«Reg_Line_6»

SRN: «Holding_No»

Entitlement Number: _____

Number of Shares held as at Record Date,
[Time] on [Record Date]: _____

Entitlement to New Shares on a 5 for 1
Existing Shares basis): _____

Amount payable on full acceptance at
PGK0.10 per New Share _____

Entitlement of X Options on a 2 for 1 basis for
every New Share subscribed for _____

Offer Closes
[Time]: [Closing Date]:

ENTITLEMENT AND ACCEPTANCE FORM

This personalised Entitlement and Acceptance Form relates to a non-renounceable entitlement offer by Airlines of Papua New Guinea Limited of New Shares and New Options to Eligible Shareholders, such offer (“Entitlement Offer”) being made under the Prospectus dated [Date]. Unless specified otherwise, capitalised terms in this form have the meanings given in the Prospectus.

As an Eligible Shareholder you are entitled to apply for X New Shares for every X Shares that you hold on the Record Date, at a price of PGK0.10 per New Share, and to also apply for 2 free New Options for every New Share subscribed for. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

The Prospectus contains information about investing in the New Shares and New Options. Before applying for New Shares and New Options, you should carefully read the Prospectus. This Entitlement and Acceptance Form should be read in conjunction with the Prospectus.

If you do not have a paper copy of the Prospectus, you can obtain one at no charge, by calling PNG Registries Limited on (+675) 321 6377 or (+675) 321 6378

PLEASE COMPLETE BELOW (using block letters) and then return the form in the manner described overleaf.

I/We apply for the following number of New Shares, and attach a Bank Cheque/Direct Credit Deposit Slip in PNG currency drawn on a PNG branch of a Financial Institution for the amount payable:

A Number of New Shares applied for and accepted
(being not more than your Entitlement to New Shares
shown above)

B Payment Amount
(being Application Monies of PGK0.10 per New Share subscribed
for (multiply the number in Section A by PGK0.10))

PGK

C PLEASE INSERT BANK CHEQUE OR DIRECT CREDIT DEPOSIT DETAILS

Bank cheques must be drawn on a PNG branch of a Financial Institution in Papua New Guinea currency, made payable to “[Account Name]” and crossed “Not Negotiable”. Direct Deposits are to be paid into “[Account Details]” and **ENSURE COPY OF THE DEPOSIT SLIP IS ATTACHED TO THE FORM.**

Bank Cheque Number

BSB

Account Number

D YOUR CONTACT DETAILS

Telephone Number

Mobile Number

Contact Name (PRINT)

ADDITIONAL INFORMATION

ACKNOWLEDGEMENTS, REPRESENTATIONS AND DECLARATIONS

By completing and returning the Entitlement and Acceptance Form with payment in the manner described on this page, you:

- represent and warrant that you have read and understood the whole of the Prospectus to which this Entitlement and Acceptance Form relates;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on this Entitlement and Acceptance Form as being held by you on the Record Date;
- agree that, if you leave Section A blank, you are deemed to apply for your full Entitlement to New Shares;
- agree that you are deemed to also apply for that number of free New Options which is twice the number of New Shares applied for;
- agree to be bound by the terms of the Entitlement Offer;
- authorise Airlines of Papua New Guinea Limited, PNG Registries Limited and their respective officers and agents to:
 - do anything on your behalf necessary for New Shares and New Options to be issued to you; and
 - correct any errors in this Entitlement and Acceptance Form;
- provide authorisation to be registered as the holder of New Shares and New Options issued to you and agree to be bound by the Constitution of Airlines of Papua New Guinea Limited;
- declare that all details and statements in this Entitlement and Acceptance Form are complete and accurate;
- declare that, if you are an individual, you are over 18 years of age and have the full legal capacity to perform all of your rights and obligations under this Entitlement and Acceptance Form;
- acknowledge that your application for New Shares and New Options cannot be withdrawn except as allowed by law;
- acknowledge that the information contained in the Prospectus and this Entitlement and Acceptance Form is not investment or financial product advice and does not take into account your investment objectives, financial situation, tax position or particular needs;
- represent and warrant that the law of any place does not prohibit you from making an application for New Shares and New Options and that you are otherwise eligible to participate in the Entitlement Offer; and
- represent and warrant that you are not in the United States of America and you are not acting for the account or benefit of a person in the United States of America.

1. HOW TO COMPLETE THE ENTITLEMENT AND ACCEPTANCE FORM

Please complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of Entitlement and Acceptance Form.

2. PAYING BY BANK CHEQUE OR DIRECT DEPOSIT

A. Acceptance of New Shares

Enter into Section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

B. Payment Amount

Enter into section B the total amount payable by you. To calculate the total amount multiply the number in Section A by PGK0.10

C. Bank Cheque or Direct Credit

Enter your bank cheque or direct credit details in section C. Bank cheques must be drawn on a Papua New Guinea branch of a financial institution in Papua New Guinea currency, made payable to “[Account Name]” and crossed “Not Negotiable”. If you provide a bank cheque/direct deposit for the incorrect amount, Airlines PNG Limited may treat you as applying for as many New Shares as your bank cheque or direct credit deposit will pay for.

D. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares and New Options, if necessary.

3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

Your completed Entitlement and Acceptance Form with the payment for New Shares must be mailed to the postal address, or delivered by hand to the delivery address, set out below.

Mailing Address

PNG Registries Limited
PO Box 1265
Port Moresby NCD
Papua New Guinea

Hand Delivery

PNG Registries Limited
Level 2, AON Haus
McGregor Street
Port Moresby, NCD
Papua New Guinea

(Please do not use this address for mailing purposes)

Make sure you send your Entitlement and Acceptance Form and application payment allowing enough time for mail delivery, so PNG Registries Limited receives them no later than [Time] on [Closing Date].

Airlines of Papua New Guinea Limited reserves the right not to process any Entitlement and Acceptance Forms and payments received after the Closing Date

If you require further information on how to complete this Entitlement and Acceptance Form, please contact PNG Registries Limited on (+675) 321 6377 or (+675) 321 6378 between 8.30am and 4.30pm (PNG Time) Monday to Friday