

**MINUTES OF THE 92nd ANNUAL GENERAL MEETING
OF KEMP & DENNING LIMITED, ABN 81 009 475 941
HELD AT THE STAFF AMENITIES ROOM
CNR MURRAY AND MELVILLE STREETS, HOBART
ON WEDNESDAY 23 SEPTEMBER 2015 AT 10:30 AM**

PRESENT:

R J Noble, H M Kidd, J E Kidd, S M Allison Rogers, R A Brown, C A G Kemp, M J Creese, K J Allison, M B Thorpe, D A Moody, A J McKinlay, M A Rayner, T Hickey (representing T H Management Services Pty Ltd), J B Smith, G E J Smith, R T Banks, E M Kemp, M J Kimber (representative of Treasure Island Hire Boat Company Pty Ltd), D J Alexander, A B McKay, R R Terry, H I Terry, H M Hills, S G Allison, G F Allison, W G Wallace, G J Woolley, G Goodman, J M Wallace, A E Coupe, R R Rex, J E Wright

CHAIRMAN:

The Chairman of Directors, Mr R A Brown, took the chair.

SECRETARY:

The Secretary, Mr P R Stone, officiated at the meeting.

Chief Executive Officer

The CEO, Mr Nick Fazzolari was in attendance.

IN ATTENDANCE:

The Company Auditors were represented by Carl Harris and Sasha Adams.

APOLOGIES:

R E G Kemp, B L Moody & P Moody

NOTICE OF MEETING:

The Notice of Meeting was taken as read.

DECEASED:

The Meeting stood in silence as a mark of respect to those Shareholders who had passed away since the 2014 AGM,

Mr B R Ellis, Mr W F Ellis, Mrs E M Floyed, Mrs G C Jevtic

MINUTES:

The Minutes of the 91st Annual General Meeting held on 24 September 2014 have been approved by the Directors and signed as a true record of that meeting. The Minutes are on the website and a copy is available for the perusal of Shareholders if so desired.

ORDINARY BUSINESS:**1. Financial Reports and the Directors' and Auditors' Report for the year ended 31 May 2015:**

Mr R A Brown delivered the Chairman's Address and then invited comments and questions with respect to the Reports.

Mr M J Kimber asked if there any further asset write downs or asset sales to occur. The Chairman responded by advising that there are no further anticipated write downs given that all properties had been revalued in the current year and were not due to be revalued for a further three years. There is an amount of Goodwill in the balance sheet, which relates to the purchase of Brewsters, which is substantiated with current profits. Apart from a small parcel of land at Oyster Cove which is the balance of the former clay pit used for brick manufacturing, there are no further assets that the Board has determined to sell. The Board periodically reviews the Company's' assets.

Mr R R Rex asked what impact the Bunnings Showgrounds store was having on the Glenorchy store, how Cambridge was performing and what the policy is on dividend payments. The Chairman responded by advising that the Glenorchy store has been impacted by the opening of Bunnings at the showgrounds and the impact was generally in line with expectations. The Cambridge store was performing in line with expectations. The business landscape we operate in is continually changing and we are being as proactive as we are able to in meeting those changes. Bunnings have started preliminary work on their site at Kingston. With respect to dividends the Chairman advised that whilst the Board has a dividend guideline which recommends that we will pay dividends of between 65 to 80 percent of profit after tax, this had been exceeded where impairments had impacted on profit after tax, but underlying profit supported a payment in excess of the guideline.

Mr Fazzolari commented that what shareholders see in the redeveloped Hobart store would be reflected in the other stores in the future. However, it is very much the starting line and will be a continuing journey.

Mr M J Creese asked that given that the current results were expressed by the Chairman in his address to be unacceptable, what would be a reasonable return. The Chairman commented that the Board is conscious of ensuring that shareholders receive a proper return on their funds invested. The Chairman observed that the best measure for the Board is the return on net asset value with the return in the past year being slightly lower than the top 200 ASX Listed Companies.

A shareholder asked what the current share price is. The Chairman advised that recent trades have been between \$6.00 and \$8.00 per share. He observed that because we are unlisted the shares are not as fluid as those traded on the ASX, although the web based system we have provided has gone some way to facilitate the buying and selling of shares. He mentioned that currently there are more sellers than buyers and this information can be seen on the website, and that we are reviewing the information provided on the website to ensure that it reflects price and movement.

2. Election of Directors:

It was moved by Mr R A Brown and seconded by Mr M J Kimber that Mrs S M Allison-Rogers, who retires by rotation under clause 11.3 of the Company's Constitution, and being eligible, be re-elected as a Director.

The Chairman advised that proxy votes had been received as follows:

	Shares
For	92,954
Against	460
Abstain	Nil
Proxies for specific individuals	112,967
Open proxies in favour of the Chairman	351,654

There was no discussion and the motion was carried on a show of hands.

It was moved by Mr R A Brown and seconded by Mr M A Rayner that Mr G Goodman, who had filled a casual vacancy and being eligible, be elected as a Director.

The proxy votes received were as follows:

	Shares
For	93,414
Against	Nil
Abstain	Nil
Proxies for specific individuals	112,967
Open proxies in favour of the Chairman	351,654

There was no discussion and the motion was carried on a show of hands.

It was moved by Mr R A Brown and seconded by Mr R T Banks that Mr J A Simon, who being eligible, be elected as a Director.

The proxy votes received were as follows:

	Shares
For	93,216
Against	Nil
Abstain	198
Proxies for specific individuals	112,967
Open proxies in favour of the Chairman	351,654

There was no discussion and the motion was carried on a show of hands.

3. General Business:

Mr R T Banks, on behalf of Shareholders, thanked the Board and management for their work with the Hobart refurbishment and how this had been well managed whilst trading continued. He commented that he sees the staff as being very professional and knowledgeable and ahead of our competitors.

Mr M J Kimber requested that Shareholders be kept informed on the website of material matters such as asset sales. The Chairman commented that whilst, as an Unlisted Public Company, we are only required to report annually, we do provide an update to Shareholders with the release of the Interim Dividend. He advised that whilst there is no current formal consideration of the sale of any assets, if we were to

make such a decision or a decision on any other material matter the disclosure and the timing of any announcement would be considered according to what impact it may have on the Company and to comply with any confidentiality agreement.

Mr A J McKinlay congratulated the Board for the advancement in the Corporate Governance Statement in the Annual report and the ability for share trading now to occur via the website and the Shareholder Information on the website.

Mr R J Noble commented that since he lives in Queensland he has seen how Masters have rolled out their stores and that they have been a disaster. He believes Masters will not come to Tasmania.

The Chairman on behalf of Directors thanked Mr Fazzolari, Mr Stone and the Executive team for their work over the last 12 months.

Mr Fazzolari thanked the Executive team for the amount of change they had undertaken in the last 12 months and that there is more to come as we will not be complacent.

The Chairman thanked Shareholders for their attendance.

CLOSE OF MEETING:

The Chairman closed the meeting at 11.09am

.....
Chairman