

BETHUNES INVESTMENTS LIMITED

FIFTEENTH ANNUAL MEETING OF SHAREHOLDERS HELD AT PETER WEBB GALLERIES,
23-25 FALCON STREET ON WEDNESDAY 31 JULY 2015 COMMENCING AT 11.00AM.

Present

Chris Swasbrook (Acting Independent Chairman), Murray Radford (Independent Director), John Mowbray (Director), Ian Halsted (Independent Director) and approximately 10 shareholders, advisers (BDO & Duncan Cotterill) and observers.

Welcome

The Chairman welcomed all present, introduced the Board of Directors, and noted the presence of Aaron Titter from BDO Wellington (Accountants), and Matt Yates & Caitlin Ashworth from Duncan Cotterill (Legal). On the telephone was an institutional shareholder from Texas, Mr. Robert Scharar (FCA Corp – Commonwealth Fund).

Apologies

The Chairman advised the meeting that no apologies had been received. There were no apologies from the floor.

Proxies

The Chairman advised that proxies were held from shareholders in respect of 2,743,000 ordinary shares.

Annual Report & Presentation

The Annual Report was tabled.

The Chairman presented the NZX released presentation, titled "Historical Review And The Way Forward". The Chairman also cautioned on the forward-looking statements and forecasts in the presentation.

Shareholder Discussion

The Chairman invited questions and comments from shareholders. In reply to a question by shareholder Mr. Nigel Fannin asking if there is anything else that shareholders need to know, the Chairman replied that currently there are two offshore parties that have made expression of interest in Webb's, and Webb's also has had discussions with the local players about possible industry consolidation. Mr. Fannin then asked about the growth opportunity after re-capitalisation. The Chairman replied that if the Company is able to complete the first stage of the re-capitalisation, it would be possible to raise more capital in future years assuming suitable investment opportunities presented themselves.

There was also a question with regard to potential co-investment alongside Bethunes if an investment was too large for Bethunes on its own. The Chairman said that is exactly what Bethunes would do and it is critical to have the right shareholders on the register that could and would be willing to facilitate this if the opportunities presented themselves.

A shareholder asked if the Company could just raise capital upon acquisition opportunity. The Chairman replied that the Company could talk to shareholders with substantial positions and work out a way forward, and even offer possible co-investment opportunities. Mr. Murray Radford (Director) commented on the recent positive experience in crowd funding in New Zealand. The Chairman commented on investors' interest in listed investment companies that are transparent and have nil fees/low operating costs.

Mr. Robert Scharar asked a question on the tentative schedule on the minimum amount of the capital raise. Mr. Matt Yates from Duncan Cotterill replied that at this stage, the goal is to raise the minimum NZD1.5M required by the allotment of the offer by 15th September. The Chairman replied with one-week extension, the offer could be extend to 22nd September. The Company will also provide regular updates on the schedule and subscriptions to the NZX.

Mr. Robert Scharar then asked if the minimum capital is raised, does the Company then have three months to sell the unexercised rights. The Chairman replied yes, and that there are already shareholders who had indicated an interest in applying for over-subscriptions.

Mr. Robert Scharar then commented on the possible overhang on the share price during the capital raising and suggested to complete the capital raising as soon as possible to stabilise the share price. The Chairman replied that he is not trying to operate on a three-month timeframe around the share price, but what is in the best long-term interest for the Company.

Mr. Robert Scharar asked if the Company could be unlisted as the shares were historically rarely traded. The Chairman emphasised the attraction of a listed company in accessing permanent capital, which facilitated long-term thinking towards investments if it was executed soundly.

Mr. Robert Scharar asked about the Company's investment strategy for the future. The Chairman replied that the Company will not be a passive minority shareholder, but would be likely to take a more active role in its investments.

Mr. Robert Scharar asked if directors are willing to take shares for director fees to conserve the cash. The Chairman replied that he personally is fine with that, but it would be up to company policy for the other directors. Matt Yates advised that this would need shareholders' approval. Matt Yates also provided further clarification on the mechanism of over-subscription.

A shareholder asked if the Company would seek underwriters/sub-underwriters. The Chairman replied probably that it would not due to cost, but that he was (personally) optimistic as already there are some interested parties. One shareholder asked how Elevation Capital Management Limited would to take a stake in the Company. The Chairman replied that he assumes there will be a short fall.

A shareholder asked a question relating to takeover regulation. The Chairman replied that no person or entity can come in and buy more than 19.99% without triggering The Takeovers Code.

Auditor

The Chairman advised the only resolution before the meeting is to authorise the directors to fix the auditor's remuneration. The motion was that "the directors be authorised to fix the auditor's remuneration for the current financial year". This was seconded by Ian Halsted and approved.

Carried unanimously

Conclusion

The Chairman thanked shareholders for their attendance and support. He invited all present to join the directors for refreshments (water only).

The meeting concluded at 12:05pm.

**APPROVED
ACTING CHAIRMAN**