

Dear Member,

On behalf of the Board of TIR I provide the following update on various matters;

Clash Site Update / Tas Retailer Alliance Agreement

Further to the last Chairman's Update on this matter I can confirm that the Board of TIR have now resolved to proceed with a formal application to the Australian Competition and Consumer Commission (ACCC) seeking an authorisation relevant to sections 45 and 46 of the Competition and Consumer Act in relation to the proposed TIR Clash Site Policy.

To support this application, and prior to the formal application being made, TIR will also proceed with the separate appointment of an independent consultant to undertake a detailed review of the Tasmanian Grocery Market. The review, amongst other matters, will consider the market position of TIR and the IGA brand in supporting the independent network in Tasmania, relevant to the proposed provisions in the Clash Site Policy and Authorisation application to the ACCC. This will include a comprehensive assessment of key inputs TIR supplies in the relevant market and the alternative sources of inputs by other suppliers.

The timeframe for this process is unknown as TIR is now reliant upon the finalisation and receipt of the independent market advice, prior to any application to the ACCC being made. Having noted this however TIR is very keen to progress an outcome in regards to this matter within the shortest timeframe.

I will continue to provide regular updates to all Members relevant to this matter as and when required.

Separate to the Clash Site Policy, TIR is also progressing with the finalisation and pending roll out to TIR Members of the IGA TAS Retailer Alliance Agreement (Tas RAA). Specific details concerning the Retailer Alliance Agreement were noted in my earlier email updated dated 20 July 2019. This matter will be progressed post finalisation of the Tas RAA and confirmation of the same via Metcash, with the pending roll out to all IGA Tasmanian Retailers to follow.

Appointment of John Devine as Independent Company Secretary for TIR.

On behalf of the Board of TIR I am pleased to announce the appointment of John Devine as Company Secretary (Co Sec) for TIR. John will assume the Co Sec responsibilities for TIR under a contracted term and will not be an employee of TIR. John will also retain his current role at the Australian Institute of Company Directors (AICD)

A brief Bio as prepared by John Devine notes the following;

For those not aware John is the State Manager for the AICD in Tasmania. He holds an MBA from UTAS with a specialisation in Corporate Governance. He is an experienced manager and director with a demonstrated history of working in education, member engagement and non-profit organisation management. He is skilled in Operations Management, Corporate Governance, Strategic Planning, Fundraising, Leadership, and Stakeholder Engagement. From 2015-17 John worked in Queensland in Operations and Business Development and prior to that held numerous senior roles at The Hutchins School including most recently as the Director of Development and

Community Relations. John's board experience includes as Chair, Board Member and Company Secretary across the education, sporting and disability sectors and entrepreneurial start-ups.

On behalf of the Board and Members of TIR I welcome John's appointment to this role and look forward to his valued contribution to both the Board and wider Co-Operative during his tenure.

Contact details for John Devine will be forwarded in due course.

Governance Programs & Review

Given the appointment of John Devine as TIR Co Sec, and also in partnership with the AICD, I confirm that the TIR Board will now undertake a more comprehensive and detailed review of all governance-related matters within the business of TIR. This review will commence soon and will also involve extensive training programs as facilitated via the AICD for both the Board and Executives within TIR. Further updates will be provided in due course and as deemed necessary.

SIW Board Nominees

At the recent TIR Board Meeting I confirm the Board approved to the reappointment of Grant Hinchcliffe, and the new appointment of myself, as TIR Nominees to the Board of Statewide Independent Wholesalers LTD. These appointments are effective immediately.

On behalf of the Board, I would also like to thank Peter Aulich for his tenure as a TIR Nominee on the Board of SIW, a tenure which involved the transition to the new SIW TASRDC site, and the TC extension which is currently in the final stages of construction.

Peter's decision to step down from the SIW Board was due to personal reasons.

TIR Rebate Programs

I can confirm that Board of TIR is currently undertaking a formal review of the TIR Rebate Program, with the same to be tabled and discussed in more detail at the next TIR Board Meeting scheduled for October 2019. It is envisaged that if any changes are made to the current rebate program, they will become operative from Monday 06 January 2020, with all members advised in advance.

Channel Meeting

As recently advertised, TIR will host a Channel Meeting in Launceston on Wednesday, 18 September 2019 commencing at 9.30AM sharp. This will include presentations from Co-Operatives Supermarkets Australia LTD and Pop Media. Updates will also be provided in the areas of TIR Sales, SIW, Merchandise, Marketing, and Strategy. The meeting will conclude at 1.00PM with a light lunch with refreshments available during the morning. If you have not already confirmed your attendance but still wish to attend, you can RSVP to reception@igatas.com or phone the TIR office on 03 6391 0200.

New Store Openings – Westbury & Sandy Bay

It is with great excitement that I announce there will be two new store openings within our member network in late September and mid-October 2019.

The first will be new Greenfield Store Development at Westbury which will be opened by Judy Fellows and her family. This development will see the closure of the existing store at Westbury and the relocation to the new store from Friday 28 September 2019.

The second will be the opening of the new Hill Street store at Sandy Bay, which will further complement their existing store network throughout Tasmania. This new store is scheduled to open on Monday, 07 October 2019.

I look forward to providing a more comprehensive overview of both stores to members post their successful opening.

I congratulate both Judy Fellows and the Hill Street Group on these new store developments that will further complement and consolidate independent market share in Tasmania. We wish them all the best with their pending openings, and needless to say for strong trading post.

Regards to all and good trading.

Michael Baxter

Chairman of the Board.

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