

KENILWORTH

SYSTEMS CORPORATION

From The Desk Of the President
Dan Snyder

April 28, 2011

Dear Fellow Shareholder:

While waiting in the Chicago airport for a delayed (yet again!) departure in the midst of a very cold winter, I was tempted to be discouraged about weather, the economy, and politics. So I made a list of the good things that were happening. Not surprisingly it was a long list; besides the improving economic picture, a strong stock market recovery, and the arrival of spring, a real positive is the turnaround of our Kenilworth Company. I thought that I'd share the Kenilworth part with you.

When our founder Mr. Herb Lindo passed away, I was asked to step into his large shoes and take Kenilworth forward. It was a daunting task to say the least. But with the terrific help of Kenilworth staff, capable outside professionals, and you my fellow shareholders, the road ahead is clear and not too steep

Working with outside advisors, your Management team developed a Plan of Reorganization. We quickly realized that Kenilworth faced challenges in the areas of operations, finance and capital structure and marketing; and we need to take substantial actions to address them. PR announcements of the several significant events only hint at what have, in fact, been accomplished, so let me share some specific challenges and their solutions with you.

The large number Kenilworth (KENS.PK) shareholders - some dating back over 30 years - has required excessive file space and considerable Staff hours to maintain shareholder records.

Update: Shareholder information is being updated and moved to a fully integrated system at a new Transfer Agent in preparation for an improvement of Company capital structure.

Information flow to and from Shareholders needs to be consistent and frequent.

Update: When the transition to a new Transfer Agent is complete, each shareholder will be able to log on to a personal account to view their holdings, update contact information, and send communications directly to Management. Information flow to shareholders will pass from the current "send out an announcement" to a system that leverages all of the latest technology and even the latest social media.

Company financial records and audits need to be brought current and keeping them up to date made less labor intensive.

Update: Records have been moved to a modern computer based business accounting system; and we have retained a consulting CFO to prepare for the upcoming audit.

Kenilworth needs to be separated into clearly identifiable operating centers that can pursue projects. This will facilitate funding for specific projects rather than just selling more restricted shares in Kenilworth and is a direct path to monetize the Company patents. Importantly, shareholder value can be substantially improved when these subsidiary companies are later spun-off to Kenilworth shareholders.

Update: KenSysCo Corporation was formed as a wholly-owned Nevada subsidiary to hold the Company patents and other intellectual property; and to take the lead in marketing the patent licensing and the planned proprietary gaming technology. KenSysCo will fund itself by selling non-voting Preferred stock to companies with gaming interests who want to use the Patents and the new Technology in their operations.

Update: KenSysCo has licensed a Caribbean developer of sports books and online casinos to use the patents and the coming technology. This preliminary agreement will serve as our working model to move forward

Update: Convergent Networks Inc. was established in Nevada as a wholly-owned subsidiary to acquire the hardware and software technology needed to exploit the Patents. An outside technology company is advancing this project and will shortly have provided overall network architecture and a budget.

To complete the transition to a modern operating company that is fully SEC compliant, Kenilworth will require minimal, but important, additional funds. Funds should be offered only to existing shareholders and provide preference and a profitable exit strategy.

Update: The Company will offer cumulative preferred shares that have an attractive coupon rate and which convert into common stock at a preferred rate; and which will be registered with the SEC instead of waiting for 6 months under Rule 144.


Management needs to increase internal capabilities and raise the profile to investors.

Update: Our Management team has expanded considerably and is now comprised of a distinguished group of individuals with significant experience and exceptional qualifications in business and project development, technology development, and the gaming industry. Their experience extends from small cap public company development, finance, engineering, sales, and marketing; to Fortune 500 companies. Importantly the team includes professionals with world class credentials and decades of hands-on management experience in large and small scale hotel and casino operations. The attached brief Management Team Overview tells the story.

So, the discouragement of Winter has yielded to optimism of Spring; with the certain knowledge that Kenilworth is re-vitalized and destined for a bright future!

On behalf of your Management Team, I thank you for your loyalty and confidence.

Sincerely



Dan W. Snyder
dsnyder@kenilworthsys.com

Attachment: Management Team Overview

Dan Snyder, Chairman, President and CEO. Mr. Snyder is the fourth generation of a prominent Chicago family of engineers, builders, and developers. He is leading the Kenilworth re-vitalization.

Kit Wong, Director and Corporate Secretary. Mr. Wong has served as a Director of Kenilworth from its inception. A successful entrepreneur and graduate engineer, Kit is pivotal in setting Company policy and direction.

Joyce Clark, Director, Treasurer and Chief Financial Officer. Ms. Clark has been involved in Kenilworth since its inception and has been a Director since 1998. As an accountant, Joyce plays an active role in the management and day to day activities of the company.

Patrick McDevitt, Director. Pat has served as a Director of Kenilworth Systems for several years. His 30 years experience as a stock broker and expertise in small-cap companies provide guidance to the Board.

David Briones, Consulting Chief Financial Officer. David is the Managing Member of the Brio Financial Group, a New Jersey boutique accountancy firm with expertise in small-cap public companies. Mr. Briones, working with Staff, is directing the process of bringing Kenilworth's corporate books into compliance with Generally Accepted Accounting Principles in preparation for an audit of the years 2005-2010.

George Hedrick, Executive Vice-President Of Marketing and Development. Mr. Hedrick is a seasoned marketing and casino management professional with unparalleled expertise in all facets of the Gaming Industry, including senior management positions at Atlantis Resorts, Mandalay Bay, Harrahs, and Cesar's Palace.

Jose Betancourt, Executive Vice-President Of Strategic Planning and Development. Mr. Betancourt, a graduate engineer, brings extensive experience in gaming industry business development. His employment includes senior positions at Mirage Resorts, The Tropicana Hotel Resort and Casino, and The Desert Inn.

Gordon Coplein, Patent Counsel. Mr. Coplein, an attorney and graduate electrical engineer leads Kenilworth's intellectual property team. He is a member of Georgia and New York State Bars, admitted to practice in various Federal District Courts and Courts of Appeal, as well as the United States Patent and Trademark Office. He served at the US Patent and Trademark Office as a Patent Examiner, specializing in the electronic arts including television, facsimile, computers, video recording, and telecommunications. He has prepared and prosecuted US and foreign patent applications for US and foreign clients in numerous electronic technologies.

Fredrick Bauman, Securities Counsel. A Harvard Law School graduate, Mr. Bauman is a Las Vegas based securities attorney and has considerable expertise with the legal needs of small public companies traded on the OTCBB or OTC Markets, including SEC compliance. Mr. Bauman is licensed to practice law in the States of Arizona, California, Nevada, New Jersey, New York, Pennsylvania and Texas.

Jeffrey Silver, Gaming Counsel. Mr. Silver is Chairman of the Administrative, Gaming and Government Affairs Department of Gordon Silver PC, a prominent Las Vegas law firm involved in all aspects of gaming law. He was Clark County Chief Deputy District Attorney and was in charge of Las Vegas office for the Nevada State Gaming Control Board. He was Chief Operating Officer and General Counsel for the Landmark Hotel & Casino, President of the Riviera Hotel & Casino and Sr. Vice President of Marketing for Caesars Palace. He is authorized to practice law before all Nevada courts, the U.S. Tax Court, the U.S. District Court for Nevada and the United States Supreme Court.