



ASX Release
Date: 16 March 2017

Dear Sir or Madam:

Update re Acquisition of the Nant Distillery Business

Australian Whisky Holdings Limited (**AWY**) refers to its previous announcements with respect to its acquisition of the Nant Distillery Business including the announcement on 2 March 2017 regarding the termination the Business Sale Agreement dated 19 January 2017 (**the BSA**).

AWY would like to provide additional information with respect to the current status of the acquisition of Nant Distillery Business and AWY's current operations at the historic Nant Estate

1. AWY has commenced its own distillery operations on Nant Estate under an excise licence granted by the ATO, as well as other activities such as cellar door, marketing, tourism, hospitality and sale activities at Nant Estate and will continue to do so in the future.
2. AWY's subsidiary has been licensed to use and trade under the name "Nant" in accordance with the transaction agreements. This licence to use the name "Nant" is not exclusive.
3. With the termination of the BSA, there are two main outstanding groups of assets that AWY has not been able to purchase from the Nant Distillery Business including intellectual property, mainly the "Nant" trademarks (**Trademarks**), and plant and equipment for distillery (**Plant and Equipment**).
4. AWY is still open for further negotiations with secured creditors with respect to the purchase of the Trademarks and certain Plant and Equipment although there is currently no formal agreement.
5. If AWY is unable to procure the purchase of Trademarks and certain Plant and Equipment:



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- a. AWY will commission alternative plant and equipment for its operations.
- b. AWY may have to make a commercial decision on whether it continues to use the "Nant" brand in its trading activities (which will include an assessment of legacy issues associated with the brand).

Yours faithfully,

Company Secretary
Kenneth Lee

