



ASX Release
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Australian Whisky Holdings acts to protect Nant barrel investors

As a result of mounting concerns about the security of Nant investor barrels, Australian Whisky Holdings Limited (*AWH*) has appointed David Levi of Levi Consulting as receiver and manager of NAW Estate Pty Ltd (formerly known as Nant Estate Pty Ltd) and NAW Barrel Holdings Pty Ltd (formerly known as Nant Barrel Holdings Pty Ltd).

Background

On 16 March 2017, finance company Eclipx Commercial appointed Quentin Olde and Joseph Hansell of FTI Consulting as receivers of NAW Distillery Pty Ltd (formerly known as Nant Distillery Pty Ltd).

During the course of the receivership, FTI Consulting sought to seize and remove Nant investor barrels from the bond stores on Nant Estate. AWH successfully resisted this action. No barrels were disturbed.

In response, FTI Consulting has now commenced court proceedings seeking, among other things, orders requiring AWH to remove the Nant investor barrels from storage and release them to FTI Consulting.

AWH's position

AWH has steadfastly maintained that whisky within Nant investor barrels is owned by the respective Nant investors. Under AWH's management, the barrels are monitored, managed and tested regularly by expert distillers for maturation, quality and leakage. The barrels are also insured by AWH on behalf of investors.

These steps ensure production of a whisky of the highest quality. AWH has already repurchased a number of mature barrels directly from Nant investors,



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and has stated its desire to continue doing so, provided appropriate quality control safeguards are observed.

FTI Consulting are appointed to advance the business interests of Eclipx Commercial, a private commercial finance company. Neither FTI Consulting nor Eclipx have given any undertaking to AWH about what they propose to do with the barrels if they are handed over. Nor has any information been provided about what (if any) quality control measures are proposed to be put in place, or the qualifications or experience of the team (if any) who will manage and monitor the barrels.

AWH have accordingly contested the proceedings so as to ensure that investors' barrels remain where they are – at Nant Estate, securely stored under the supervision of expert distillers in the heritage bond stores on site, at the correct altitude and in generally in the optimal conditions and environment for the whisky to continue maturing.

AWH's position is supported by the vast majority of barrel investors who have been in contact in recent days.

AWH takes action

In an effort to provide further assurance that the barrels will not be disturbed pending resolution of the current proceedings, AWH has appointed David Levi of Levi Consulting as receiver of NAW Estate Pty Ltd (formerly known as Nant Estate Pty Ltd) and NAW Barrel Holdings Pty Ltd (formerly known as Nant Barrel Holdings Pty Ltd).

Mr Levi is an ASIC-regulated controller answerable to the Board of AWH and to ASIC. He is not required to, and will not, take instructions from Eclipx Commercial or FTI Consulting.

The dominant reason for AWH's appointment of Mr Levi is to secure the barrels so as to provide peace of mind to investors and to shareholders of AWH pending resolution of the proceedings.





AWH will continue to resist the removal of any investor barrels from Nant Estate and looks forward to working with investors and other stakeholders in coming days to address any concerns they may have.

Yours faithfully,

Company Secretary
Kenneth Lee



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