



ASX Release
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Australian Whisky Holdings Reached an Agreement with the Receivers of NAW Distillery

As previously announced, Australian Whisky Holdings Limited (**ASX:AWY**) has been involved in the Federal Court proceedings (**Proceedings**) commenced by the Receivers of NAW Distillery Pty Ltd (formerly known as Nant Distillery Pty Ltd) (**NAW Distillery**). The Receivers, Quentin Olde and Joseph Hansell of FTI Consulting were appointed by Eclipx Commercial Pty Ltd (**Eclipx**).

AWY is pleased to announce it has agreed terms (**Settlement Agreement**) with the receivers of NAW Distillery Pty Ltd (as appointed by Eclipx Commercial Pty Ltd) (**the Receivers**) with respect to the Proceedings and in particular, among others, the ownership of certain of the plant and equipment located at the Nant Estate premises and intellectual property (including but not limited to trade marks, brands, domain names) which are the subject to the dispute in the Proceedings (**Distillery Assets**).



Nant whisky Bourbon Wood Single Cask 63% scored a huge 95.5% in Jim Murrays 2015 Whisky Bible.





The Settlement Agreement contains certain terms and conditions including as follows:

1. The parties will enter into an asset sale agreement with respect to the transfer of the Distillery Assets to AWY ("**Asset Sale Agreement**") for a purchase price of \$1.7M (plus GST).
2. The purchase price payable by AWY under the Asset Sale Agreement will be applied by Eclipx in reduction of the debt owed by NAW Distillery to Eclipx.
3. The purchase price for the Distillery Assets is payable to Eclipx as follows:
 - a. a non refundable deposit of \$220,000, paid on 2 July 2017 ("**Deposit**").
 - b. the sum of \$880,000 to be paid on 31 July 2017 ("**First Instalment**"). If the First Instalment is paid on 31 July 2017, then the amount of the First Instalment will be reduced by the amount of the Deposit, to \$660,000.
 - c. the balance of \$990,000 is to be paid to Eclipx over a 2-year period pursuant to a facility agreement (to be entered into on 31 July 2017) and which is subject to a number of matters, including certain security interests being provided by AWY's subsidiaries to Eclipx.
4. Prior to completion of the Asset Sale Agreement, NAW Distillery remains the owner of the Distillery Assets. Following completion of the Asset Sale Agreement AWY will own the Distillery Assets however Eclipx will continue to retain security over the Distillery Assets at all times until all obligations of AWY are met in full.
5. AWY is required to obtain consents for the sale of the Distillery Assets by certain secured creditors of NAW Distillery and agreement of its secured creditors with respect to the security to be provided to Eclipx.





6. If AWY defaults under the Settlement Agreement, the Receivers are entitled to file default consent orders in the Proceedings which will give them undisputed rights with respect to the Distillery Assets.

The transactions required by the Settlement Agreement reflect, in substance, the arrangements previously reached between AWY and NAW Distillery with respect to the Distillery Assets. The Settlement Agreement has been reached with the cooperation of the Receivers and Eclipx.

Importantly, as previously announced, the Receivers also sought, in the Proceedings, orders for their appointment as receivers and managers of the Nant investor barrels for the limited purpose of identifying relevant ownership interest or interests in the Nant investor barrels. The Settlement Agreement provides for the resolution of this aspect of the Proceedings, subject to AWY's compliance with the Settlement Agreement.

The Settlement Agreement requires completion of the transaction on 31 July 2017.

AWY's focus will then be on continuing the production, marketing and selling of whisky products as distilled at the Nant Estate under the Nant brands.

AWY will also continue to manage the barrel investment scheme and has been progressively acquiring whisky from Nant barrel scheme investors.

AWY further advises that decanting and bottling of AWY-owned Nant whisky and bottling will once again commence at the renowned AWY-owned Nant Estate located at Bothwell, Tasmania.





Yours faithfully,

Company Secretary
Kenneth Lee



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