



ASX Release

14th July 2017

Dear Sir/Madam

Australian Whisky Holdings Receives Funds of \$940,000

Australian Whisky Holdings Limited (ASX Code: AWY) ("Australian Whisky" or "the Company") advise that the Company has issued 46 \$10,000 Convertible Notes ("Notes"), raising \$460,000 for its working capital to non-related investors. The terms and conditions are summarised below:

1. The Notes mature in six months from the date of issue. Interest is payable at 10% per annum. The Company has the option to extend the maturity date for a further three months, at which interest rate for those three months would be at 12% per annum. Interest shall be capitalised and convertible.
2. The Note holders may, at any time prior to any future capital raising of the Company, elect to convert all or any of the Notes into fully paid ordinary shares of the Company at 3.3 cents per share. The maximum number of shares to be issued upon conversion of the notes is 15,054,543 (including principal and capitalised interest).
3. In the event the Company undertakes a capital raising prior to the conversion or maturity of the Notes, the Company and the Note holders agree that the Notes would be redeemed and the subscription funds would then be applied toward an underwriting of the capital raising. The parties agree that, in such circumstances, they will enter into an underwriting agreement with standard commercial terms.
4. The Company is otherwise entitled to convert or redeem all or any of the Notes prior to the maturity date.

In addition, the Company has received unsecured loans of \$480,000 from non-related parties for its working capital. These loans are repayable within





three months from the date of issue with the Company's option of extending to a further three months.

Interest on these loans is at 9% per annum for the first three months. If the loans are extended by the Company for another three months, the interest rate would be at 10% per annum for those additional three months.

Yours faithfully,

Company Secretary
Kenneth Lee



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