27 March 2018

Mr Patrick McCarthy
Advisor, Listing Compliance
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Mr McCarthy

AUSTRALIAN WHISKY HOLDINGS LIMITED (THE "COMPANY"): AWARE QUERY

We refer to your letter of 26 March 2018.

In response to your queries, the Company responds as follows (adopting the numbering set out in your letter):

1. The Offer was made on 26 February 2018.

2. The Company does not consider the Offer in and of itself to be information that a reasonable person would expect to have a material effect on the price or value of its securities for the reasons set out at paragraph 4 below.

3. Notwithstanding that our answer to question above 2 is "no", the Company would like to point out that it has repeatedly evinced an intention to purchase further equity in Lark and to position itself as a consolidator of Tasmanian whisky. Notably the ASX Release dated 8 December 2016 sets out disclosures in that regard including a statement that "the vision of AWY is to have equity holdings, if not ownership, in a number of premium single malt

whisky producers in Australia focusing in particular on Tasmania." More recently, there have been statements in the Company's director's report for the year ending 30 June 2017 indicating that the Company is in an investment phase of its whisky growth strategy aimed at achieving a significant position in the premium quality, craft whisky industry in Australia. It is also prominently displayed under the "Our Vision" tab on the Company's website. The Company previously obtained shareholder approval for the acquisition of the shares it did not own in Lark in 2017.

Specifics of the Offer were not made public earlier for as:

- the Offer was made in the context of a real-time commercial negotiation between the Company and other shareholders in Lark. The Offer was made subject to several conditions, including in relation to capital raising and shareholder approval and was made in confidence.

Furthermore, the Offer to date has received no acceptances and in that regard, is an incomplete proposal or negotiation. In this regard it is worth noting that the Offer was made in relation to ongoing discussions with one Lark shareholder representative, who acts as a financial advisor to a significant portion of the Lark shareholders (other than the Company). The Company is of the view that a number of Lark shareholders are likely to participate as a bloc. Until it is known whether those Lark shareholders have accepted the Offer, it is impossible to gauge the likelihood that the Offer will make a significant impact on the Company's shareholding in Lark.

In relation to the confidentiality of the Offer, we note that the Offer was stated to be "strictly private and confidential" and furthermore contained a confidentiality provision requiring the offerees not to disclose the terms of the Offer. The Offer was distributed only to Lark shareholders which are a relatively small group of entities. The Company has no reason to believe that any of those shareholders would disclose the Offer publicly and we note that Lark is a private company and therefore the Offer would not be relevant to anyone but a Lark shareholder. The Company is not aware of, nor has any of its monitoring revealed any breach of the confidentiality of the Offer.

The Company included in its half-yearly accounts released prior to market opening on 28 February 2018 a subsequent event note indicating that it was negotiating to acquire the balance of the issued capital in Lark Distillery Pty Ltd. Specifics of the offer were announced prior to the opening of trading on the 5th March, 2018. In the context of the Company's previous disclosures the announcement also served the purpose of ensuring that the Company could issue a Cleansing Notice pursuant to section 708A(5) of the *Corporations Act 2001* in relation to the Placement announced on 8 March 2018.

4. The Company does not consider the Offer in and of itself to be information that a reasonable person would expect to have a material effect on the price or value of its securities. That would depend on the acceptance of the Offer by Lark shareholders, and more particularly, would depend on the extent of acceptances received and whether or not they would have a material impact on the Company's shareholding in Lark. As yet, no acceptances have been received in relation to the Offer. In that regard, no contract has been formed

and the Offer still constitutes an incomplete proposal or negotiation. From time to time, as a prominent member of the premium Australian single malt whisky industry, the Company will enter into negotiations with other industry participants and expects to continue to do so in pursuit of its stated vision.

5. The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

6. The Company confirms that its responses to the questions above have been authorised and approved in accordance with its published Continuous Disclosure Policy or otherwise by its Board or an Officer of the Company with delegated authority from the Board to respond to ASX on disclosure matters.

If ASX has any further questions in relation to the Offer, please feel free to contact the Company.

Yours faithfully,

Gary Stewart
Company Secretary
Australian Whisky Holdings Limite

26 March 2018

Mr Gary Stewart
Company Secretary
Australian Whisky Holdings Limited
Lev 1, 283 George St
Sydney, NSW, 2000

Dear Mr Stewart

Australian Whisky Holdings Limited (the "Company"): aware query

ASX Limited ("ASX") refers to the following:

A. The half year financial report for the period ended 31 December 2017 released on the ASX Market Announcements Platform ("MAP") on 28 February 2018 disclosing that the Company is negotiating to acquire the balance of the issued capital of Lark Distillery Pty Ltd ("Lark") not presently held by the Company, and that such offer will consist of cash, cash and shares or shares ("Half Year Report").

B. The Company's announcement entitled "Australian Whisky Holdings Limited intention to purchase shares in Lark Distillery Pty Ltd" released on MAP on 5 March 2018 (the "Announcement"), disclosing further details of the Company's intention to acquire all of the ordinary shares in Lark that it does not currently own.

C. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

> "*an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity"*

and section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information"*.

E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed."

F. ASX's policy position on the concept of "*confidentiality*", which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

> *"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."*

Having regard to the above, ASX asks the Company to respond separately to each of the following questions and requests for information:

1. When did the Company make the offer to acquire the balance of the issued capital in Lark that it does not currently hold (the "Offer")?
2. Does the Company consider the Offer to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
3. If the answer to question 2 is "yes" and the Company made the Offer before the Half Year Report was released on MAP, did the Company make any announcement prior to the lodgement of the Half Year Report which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the Company was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Company took to ensure that the information was released promptly and without delay.
4. If the answer to question 2 is "no", please advise the basis for that view.
5. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that the Company's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 a.m. AEDT) on Wednesday, 28 March 2018. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Company's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to the Company's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that the Company's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Company's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Patrick McCarthy
Adviser, Listings Compliance