

Media Release

Nant contains the largest store of premium Single Malt Whisky in Australia.

Australian Whisky Holdings Ltd (AWY) have been managing the Nant business and the bond stores for the past 5 months and Nant (now NAW) has not been granted access to the bond stores and distillery during that time. Access to our database has also been disabled so we can no longer communicate directly with Barrel owners.

The Barrel register (annexed to the Business Sale Agreement signed by AWY on the 15th October, 2016) was provided to AWY BEFORE they took over the management of the business and was an accurate register of the current barrel stock. All of the registered Barrel owners were listed and the forward production schedule of all barrels to be filled was provided. Nant was in full production and filling barrels right up until AWY took over. It was our understanding that production was to continue and barrels filled. Nant had 600 new barrels on site, and at its warehouse, for forward production and had imported four new stills from Scotland to increase production. AWY were also provided with all of the original barrel owners records.

As far as we are aware every single barrel listed on that register provided to AWY was an accurate record of barrels sold, barrels filled and barrels to be filled. They have had this information for 5 months.

We reference a recent letter by a barrel investor to the ABC network.

"The terms and conditions are on pages 13 and 14, and I draw your attention to:

Clause 7.1 "The barrel filling date will be dictated by the production schedule of the Nant Distillery as decided by Nant"

Clauses 3.1 and 3.2 - buy back terms - "On the four year anniversary from purchase date Nant will offer to buy the whisky back from the Buyer." Clause 3.2 goes into more detail about the compound, and concludes with "To ensure clarity, the return does not start to compound from the date the barrel has been filled with spirit."

It's pretty clear that investors were not purchasing a filled barrel of whisky - the barrels would be filled by Nant when it fitted into their production schedule - but that any delay in filling the barrel would not disadvantage the investor since compounding starts at purchase date (and not the filling date)."

It was our understanding that under the Business Management Agreement signed by AWY on the 15th October, 2016 AWY was to have undertaken the full operation of the distillery; paid agreed creditors listed in the signed agreement; provide accounting records during operation and advise on excise and alcohol production.

However , when AWY took control, under the direction of Chris Malcolm from Lark Distillery, (AWY own 48% of Lark Distillery which owns Overeem Distillery and they also hold a share of Redlands Distillery) the following things occurred:

1. the cellar door was closed
2. They Stopped bottling and selling whisky
3. Denied staff access to speak to the Director of Nant
4. Denied the Nant Director access to the distillery
5. Did not pay the agreed creditors
6. Did not provide accounting and excise records despite requests.
7. Breached confidentiality agreements

All with the intention of running the business into the ground to create leverage to buy it for next to nothing. This is exactly what they are currently doing.

The comments made by AWY in their recent media release to Barrel Investors are designed to do one thing - To get the Barrel Investors to sell their "mature" barrels to AWY . However AWY are aware that the Barrel Management Agreement has been terminated and the NAW (Nant)

Distillery Pty Ltd own all of the Nant trademarks. Go to IP Australia website to confirm. AWY are therefore not permitted to deal with the Barrel owners without our consent, but continue to do so.

We no longer have access to our plant and equipment at the estate or the barrels and are unaware of the current contents of the bond stores or what AWY are doing with the barrels. AWY have not paid for the Nant Distillery business and should allow access to Barrel Investors and Nant so that we can get on with collecting barrels and our plant and equipment and recommence filling barrels and selling whisky.