



AUSTRALIAN VINTAGE LTD

**Company Announcements
Australian Securities Exchange**

10 July 2024

Balranald Vineyard Lease Surrender Update

Key Points

- Purchaser secured and binding documentation executed to surrender long term lease with Belvino for the Balranald Vineyard, subject to completion of the sale of the water rights associated with the vineyard, expected to occur mid July 2024
- Provides grape sourcing flexibility in a changing market dynamic
- Net cash flow benefit of \$12.6 million over the remaining 7 year lease term

Lease Surrender

Australian Vintage Limited (ASX: AVG) today reports that, further to our announcement on 8 May 2024, Belvino has secured a purchaser for the Balranald Vineyard and binding documentation between AVG and Belvino Investments No. 2 Pty Ltd (Belvino) has been executed, securing the surrender of the Balranald Vineyard lease subject to sale of the water rights associated with the vineyard, with completion expected to occur mid July 2024.

Benefits to AVG

The Balranald Vineyard currently yields between 11,000 and 13,000 tonnes of grapes, predominantly red varieties. Exiting the Balranald Vineyard lease provides AVG flexibility in its sourcing strategy in a changing consumer environment. In addition, net cash flow benefit totals \$12.6 million over the remaining lease term, factoring in up to \$2 million to be spent on development works across the Qualco, Jubilee and Balranald Vineyards, maximising the combined return from these assets.

For the purpose of ASX Listing Rule 15.5, Australian Vintage Limited confirms that this document has been authorised for release by the Board of Directors.

ENDS

Further information

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