



13 December 2018

FWL receives Overseas Investment Office approval to acquisition of Mt Difficulty

Foley Wines Limited [NZX: FWL] is pleased to confirm that consent has been granted by the Overseas Investment Office (OIO) to the purchase by FWL of all of the Mt Difficulty Wines assets and business in accordance with the agreement signed and announced on 14 November 2017.

Following receipt of consent from the OIO and satisfaction of the remaining conditions (which are expected to be satisfied shortly) to the transaction, FWL expects that the purchase will be completed as soon as is practical in January 2019.

As approved by shareholders at a special meeting on 28 March 2018, FWL will now be undertaking the second stage of a capital raising of up to \$20 million by way of placements to new investors and certain existing shareholders to partially fund the purchase. This follows the first stage of the capital raising by way of a Share Purchase Plan that was completed in June 2018.

The granting of the OIO consent also now means that Lion NZ Limited will subscribe for 2,027,027 shares in accordance with the Subscription Agreement dated 22 May 2018.

The settlement and allotment of new shares under the capital raising is expected to occur on 18 December 2018.

FWL's chief executive officer Mark Turnbull said "We are delighted that Foley Wines has received consent from the Overseas Investment Office and look forward to concluding the purchase of this iconic Central Otago wine company. Ever since the proposed purchase of Mt Difficulty Wines was announced in 2017, our entire portfolio has attracted considerable interest around the world. We are very much looking forward to marketing Mt Difficulty along with our entire world class wine portfolio in 2019. Furthermore, this is the final stage of completing our strategic partnership with Lion and building on the work we commenced several months ago."

Authorised for public release.

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