



AUSTRALIAN VINTAGE LTD

Company Announcements
Australian Securities Exchange

8 May 2024

AVG Surrenders Balranald Vineyard Lease

Key Points

- Long term lease with Belvino for the Balranald Vineyard surrendered effective 26 June 2024, subject to completion of the sale of the vineyard
- 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 Belvino Investments No. 2 Pty Ltd (Belvino) and AVG have collaboratively agreed to end the lease for the Balranald Vineyard situated in Balranald, New South Wales. The effective date of the lease termination is 26 June 2024, subject to the sale of the vineyard which is expected to occur on the same day.

The lease term was due to expire after the 2031 vintage however the parties have agreed to end the lease early. It is a testament of our strong partnership with Belvino that we were able to work through constructive options with the property, benefiting both parties.

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.

AVG and Belvino have committed to redeveloping other vineyards leased by AVG, including the Qualco and Jubilee Vineyards, maximising the combined return from these important 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.

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Further information

Peter Perrin
Acting Chief Executive Officer
0408 127 940

Adam Rigano
Chief Financial Officer
08 8172 8305

Australian Vintage Ltd
ABN 78 052 179 932
275 Sir Donald Bradman Drive, Cowandilla SA 5033 Australia
www.australianvintage.com.au