

22 July 2021

Laura Gomme
Adviser, Listings Compliance (Perth)
ASX Limited
Level 40, Central Park
152-158 St Georges Tce
Perth WA 6000

Sent by email: ListingsCompliancePerth@asx.com.au

Dear Laura

RESPONSE TO ASX AWARE QUERY LETTER

We refer to your letter (**ASX Letter**) dated 19 July 2021 to Digital Wine Ventures Limited (**DW8** or the **Company**).

Unless specifically defined otherwise below, capitalised terms used in this letter have the same meaning as given in the ASX Letter.

The Company responds to each of your queries as follows:

- 1. Noting the increase in DW8's share price and increased volumes in securities traded immediately prior to the Trading Halt Request, does DW8 consider the Information or any part thereof contained in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes

- 2. If the answer to question 1 is "no", please advise the basis for that view.**

Not applicable

- 3. When did DW8 first become aware of the Information or any part thereof?**

The "Information", as defined in the ASX Letter, is that DW8 had signed a binding agreement to acquire 100% of Parton Wine Group, as disclosed in the announcement lodged on the ASX market announcements platform prior to the commencement of trading on 19 July 2021.

The binding agreement was executed on 16 July 2021 (**Agreement**), after the Company requested the trading halt. Until this date, the Agreement was confidential, incomplete and it was uncertain whether the acquisition would proceed.

4. **If the answer to question 1 is “yes” and DW8 first became aware of the Information before the relevant date, did DW8 make any announcement prior to the Relevant Date 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 DW8 was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps DW8 took to ensure that the information was released promptly and without delay.**

As described above, the "Information", as defined in the ASX Letter, is that DW8 had signed a binding agreement to acquire 100% of Parton Wine Group. The binding Agreement was executed on 16 July 2021.

Prior to 16 July 2021, DW8 had been in confidential negotiations with Parton Wine Group which had been ongoing since 18 May 2021. As noted above, the Agreement was incomplete prior to 16 July 2021.

The Board considered the Information to be confidential and had not formed the view that the Information had ceased to be confidential prior to requesting the trading halt on 15 July 2021.

The Board notes that the following factors may have contributed to an increase in share price and volume on the Relevant Date:

- COVID-19 lockdowns in the East Coast of Australia have previously led to material increases in the key metrics reported by the Company. This may have triggered investor interest in light of recent lockdowns;
- The Company announced on 30 March 2021 of its intention to stage the rollout of its newest product, MARKET. DW8's operating company WINEDEPOT commenced marketing to Victorian buyers on 14 July 2021. However, it is noted that the Board does not consider the commencement of marketing to be price sensitive information in itself; and
- The Company's monthly ASX Company Update is generally made in the second week of the following month and there may have been a degree of speculative investment in anticipation of the Company Update.

5. **Please confirm that DW8 is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

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

6. **Please confirm that DW8'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 DW8 with delegated authority from the board to respond to ASX on disclosure matters.**

The Company confirms that the responses provided in this letter have been authorised and approved by the Board.



Yours sincerely

Arron Canicais
Company Secretary
For and on behalf of the Board of Directors of Digital Wine Ventures Limited



19 July 2021

Reference: 36733

Mr Arron Canicais
Digital Wine Ventures
Level 7, 61 York Street
Sydney NSW 2000

By email: arron@smallcapcorporate.com.au

Dear Mr Canicais

Digital Wine Ventures ('DW8'): Aware Query

ASX refers to the following:

- A. The increase in DW8's share price by approximately 15.19% from \$0.079 at close on 13 July 2021 to an intra-day high of \$0.091 on 14 July 2021.
- B. The significant increase in the volume of DW8's securities traded on 14 July 2021.
- C. DW8's request for a Trading Halt lodged on the ASX Market Announcements Platform ('MAP') on 15 July 2021, requesting a trading halt over DW8's securities pending the release on an announcement in relation to a material acquisition and capital raising ('Trading Halt Request')
- D. DW8's announcement entitled "DW8 to undertake strategic acquisition of Parton Wine Group" lodged on MAP on 19 July 2021 (the 'Announcement') (the 'Relevant Date'), disclosing, amongst other things that DW8 had signed a binding agreement to acquire 100% of Parton Wine Group ('Information').
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX 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.
- F. 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."

- G. 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*

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- *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.”*
- H. 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.”

Request for information

Having regard to the above, ASX asks DW8 to respond separately to each of the following questions and requests for information:

1. Noting the increase in DW8’s share price and increased volumes in securities traded immediately prior to the Trading Halt Request, does DW8 consider the Information or any part thereof contained in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did DW8 first become aware of the Information or any part thereof?
4. If the answer to question 1 is “yes” and DW8 first became aware of the Information before the relevant date, did DW8 make any announcement prior to the Relevant Date 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 DW8 was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps DW8 took to ensure that the information was released promptly and without delay.
5. Please confirm that DW8 is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that DW8’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 DW8 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 Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **12 PM AWST Thursday, 22 July 2021**. 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, DW8’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 and may require DW8 to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. 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.

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 DW8'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 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*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in DW8's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to DW8'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 DW8'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.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Laura Gomme
Adviser, Listings Compliance (Perth)