

15 November 2019

ASX Announcement

## ISSUE OF REPLACEMENT PROSPECTUS

**Digital Wine Ventures Limited (“Digital Wine” or the “Company”) (ASX: DW8)** refers to its prospectus dated 12 November 2019 (**Prospectus**) pursuant to which a non-renounceable pro rata offer was made to eligible shareholders for one new share for every ten shares held on the record date at an issue price of \$0.0065 (**Entitlement Offer**).

The Company advises that it has today issued a replacement prospectus (**Replacement Prospectus**) to reflect an adjustment to the issue price of the Entitlement Offer to \$0.006 (raising approximately \$612,000), to comply with requirements of Listing Rule 7.11.2.

To ensure the value of the Entitlement Offer is equivalent to the Company's recent placement (announced 25 October 2019), the Company has obtained a valuation from Bentleys Advisory (WA) Pty Ltd of the Quoted Options. Bentleys have valued the Quoted Options at \$0.0037 each (see Annexure A to this announcement for the key metrics for the valuation of Quoted Options). On the basis of this valuation, the ratio of the Entitlement Offer free-attaching Quoted Options, offered under the Replacement Prospectus has been adjusted to one free-attaching Quoted Option for every nine new shares issued under the Entitlement Offer (**Ratio**).

The Replacement Prospectus also includes a revised use of funds and pro-forma balance sheet based on the new issue price and adjusted Ratio and a revised timetable.

Further details in relation to the Entitlement Offer, shortfall offer and placement options offer are contained in the Replacement Prospectus. The Replacement Prospectus is accessible from the ASX and Company websites, [www.asx.com.au](http://www.asx.com.au) and [www.digitalwine.ventures](http://www.digitalwine.ventures) respectively.

The Replacement Prospectus will be dispatched to Eligible Shareholders on Monday, 25 November 2019 in accordance with the revised indicative timetable set out in the Replacement Prospectus, as below. Investors are advised to read the Replacement Prospectus in full prior to making an investment decision.

### INDICATIVE TIMETABLE FOR ENTITLEMENT OFFER

Event	Date
Lodgement of Replacement Prospectus and Appendix 3B with ASX	Friday, 15 November 2019
Option holders notified of Offers	

Event	Date
Notice of Entitlement Offer sent to Shareholders	Monday, 18 November 2019
Securities quoted on an "Ex" basis	Tuesday, 19 November 2019
Record Date for determining Entitlements	Wednesday, 20 November 2019
Replacement Prospectus and Application Form dispatched to Eligible Shareholders	Monday, 25 November 2019
Opening Date of Entitlement Offer	Monday, 25 November 2019
Last day to extend the Closing Date of Entitlement Offer	Friday, 29 November 2019
Closing Date of Entitlement Offer	Wednesday, 4 December 2019
Securities quoted on a deferred settlement basis	Thursday, 5 December 2019
Notification of Shortfall	Monday, 9 December 2019
Issue date of Securities	Wednesday, 11 December 2019
Commencement of Securities trading on ordinary settlement basis	Thursday, 12 December 2019

All dates (other than the date of the Replacement Prospectus, the date of lodgement of the Replacement Prospectus with ASIC and ASX) are indicative. The Company reserves the right, subject to the Corporations Act and Listing Rules and other applicable laws, to vary any other date of the Offers, including accepting late applications, either generally or in particular cases, without notice.

**ENDS**

**To view our most recent media coverage please visit:**

- <https://www.digitalwine.ventures/media-coverage.php>
- <https://winedepot.com/media-coverage/>

## **WINEDEPOT business overview**

**WINEDEPOT** is a cloud-based technology platform that has been designed to connect wine industry stakeholders to reduce the time, margin and capital wasted in the existing supply chain.

Catering for **producers, distributors, importers and retailers** of all sizes, the vertically integrated trading, order management and logistics platform provides an end-to-end supply chain solution capable of servicing a wide variety of sales channels including the rapidly growing direct-to-consumer and online market segments.

Key benefits the cloud-based technology platform provides stakeholders include:

- Reduced freight costs & shipping times;
- Reduced paperwork & administration;
- Reduced working capital requirement;
- Reduced errors & breakages;
- Increased customer reach;
- Increased customer satisfaction and repeat sales.

WINEDEPOT's integrated wine trading and smart logistics platform is being launched in Australia before being expanded into other key markets for Australian wine such as China, USA, UK, Canada, Hong Kong, Singapore and New Zealand.

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**Digital Wine Ventures** (ASX DW8) is an Australian Publicly listed company that aims to identify and invest in early stage technology-driven ventures that have the potential to disrupt and digitally transform segments within the global beverage market and support them by providing access to capital, expertise and share services.

For more information please visit [www.digitalwine.ventures](http://www.digitalwine.ventures) and [www.winedepot.com](http://www.winedepot.com) or contact:

**Dean Taylor, Chief Executive Officer**  
**Digital Wine Ventures Limited**  
P: (02) 8002 1991  
E: [dean.taylor@digitalwine.ventures](mailto:dean.taylor@digitalwine.ventures)

## **ANNEXURE A – KEY METRICS FOR THE VALUATION OF QUOTED OPTIONS**

Bentleys Advisory (WA) Pty Ltd valued the Quoted Options using a Binomial Option Pricing Model on the basis of the following

inputs:

- Stock price - \$0.007 on 12 November 2019,
- Exercise price - \$0.015 being the Exercise Price based on the terms of the Quoted Options,
- Term – 3.14 years (approximately) from the Valuation Date to 31 December 2022,
- Volatility – 108% (based on the one-year historical weekly volatility of the Company's shares; the one-year timeframe is more indicative of the change in business since October 2018)
- Risk free rate (continuously compounded) – 0.836% per annum (calculated based on the discrete 3-year Australian Government Bond rate of 0.84% on 12 November 2019)
- Dividend yield - nil

The value of the Quoted Options as at the Valuation Date using the above inputs derived a valuation of \$0.0037 per Quoted Option.